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NEWS SUMMARY

GENERAL

Thatcher: We need to win two more

Mrs Thatcher yesterday said she would not decide on a general election date until she had been in power for four years—May 3.

But she told a conference of parliamentary candidates that she wants three Tory parliaments in order to carry out her programmes, not just two. Back Page

A letter bomb addressed to the hotel where the conference was being held was intercepted and defused. It was thought to have been sent by the Scottish National Liberation Army.

Strikers warned

BL has told the 5,000 strikers at Cowley they will be sacked unless they return to work by Tuesday, union leader David Buckle said.

Deportee in jail

Stancu Papusoiu, deported from Britain to Romania last month, is now in jail in Austria, the Austrian Government said.

Peron ban ended

Argentina repealed a life ban on former President "Isabelita" Peron and other officials from political activity and public office. Page 2

'Gandhi' move

South Africa said it would approve requests for multiracial premieres of the film Gandhi, after international protests.

Walesa pledge

Solidarity leader Lech Walesa said he would meet underground leaders of the banned Polish union again, despite police investigations of a previous meeting.

UN hotel blasts

Two explosions, apparently caused by a propane gas tank, set fire to upper floors of the 39-storey UN Plaza Hotel in New York. No injuries were reported.

Turkish hijack

Hijackers who diverted an internal Turkish Airlines jet to Athens released 26 of the 107 passengers and demanded to see the Australian ambassador.

Mail train raid

Raiders ransacked 60 mail sacks on a Euston-Manchester train before escaping at Crewe, apparently because they were interrupted.

Delay for envoy

Zimbabwe postponed the presentation of credentials by Britain's new High Commissioner, because of independence celebrations.

Small world

The Archbishop of Canterbury, Dr Robert Runcie, met Chinese Premier Zhao Ziyang for the first time—in New Zealand, which both are visiting.

Briefly . . .

Israel protested to Sweden over PLO leader Yassir Arafat's planned visit.

Australia is to cut its intake of skilled immigrants.

Tokyo Disneyland opened.

BUSINESS

Dawn raid on Miss World

● HAWLEY GROUP chairman Michael Ashcroft mounted a dawn raid on Eric Morley's Miss World Group, gathering a maximum permitted 14.99 per cent stake, within hours of the company's USM launch on Thursday. Back Page

● STERLING rose 75 points to $1.548, its highest close for two months. It also gained to *DM 3.7775 (DM 3.76); FFr* 11.315 (FFr 11.26), SwFr 3.165 (SwFr 3.1575) and Y368 (Y367.25). Its trade-weighted index was 82.9 (82.4). Page 21

● DOLLAR held at DM 2.4385, gained to FFr 7.3125 (FFr 7.31), but eased to SwFr 2.0425 (SwFr 2.049) and Y237.6 (Y238.25). Its trade-weighted index was 122.5 (122.7). Page 21

● GOLD fell $¼ to $435¼ in London. Page 21

● EQUITIES lifted to a new record. The FT Industrial Ordinary index gained 6.6 to 695.5, over 20 points up on the week. The FT Actuaries All-Share index rose 0.9 per cent *to a record 439.52. Page 24*

● GILTS improved quietly, with the accent on stocks maturing in the 1989-94 area. Page 24

● WALL STREET was up 2.32 to 1,167.57 at 2pm. Page 20

● INDIA tightened its liberal imports policy in a bid to protect its industries. Page 2

● EEC COMMISSION challenged Britain and France to justify special assistance to U.S. companies Hyster and Timex respectively. Back Page

● KLOECKNER-WERKE, West German steel producer, has been fined £29.1m for exceeding EEC production quota, but intends not to pay. Page 2

● PRIVATE HOUSING starts in the first quarter rose 43 per cent to their best level since 1973. Page 4

● VANBRUGH LIFE Assurance is selling properties to raise cash after an outflow of policyholders from its £65m property fund. Page 3

● UNITED NEWSPAPERS, UK publishing company, launched an £11m bid for Benn Brothers, business publishers. Page 18

● NESTLE, Switzerland's largest food group, raised consolidated net profits 13.9 per cent to £348m last year. Page 23

● YAMAHA MOTOR, Japan's second-largest motorcycle manufacturer, is to cut its dividend for 1982-83 and faces year-end losses. Page 23

● KWIK SAVE Discount Group, UK supermarket operator, lifted first half pre-tax profits £1.65m to £12.33m. Page 18; Lex, Back Page; Tax challenge, Page 4

● SCOTTISH TELEVISION reported profits down £443,000 to £1.89m last year, while Ulster Television showed a first-half pre-tax increase from £397,000 to £461,000. Page 18; Lex, Back Page

● AUTOMOTIVE Products, UK vehicle and aircraft equipment maker, saw losses of £14.11m in 1982, against losses of £2.21m. Page 18; Lex, Back Page

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES					
Exchequer 12¼% '92	£106⅝	+ ¼	Martin (R. P.)	380	+ 15
Adwest	246	+ 8	Mettoy	43	+ 5
Akroyd and Smithers	380	+ 19	Miss World	141	+ 10
BPB Inds	582	+ 17	Plessey	602	+ 8
BTR	436	+ 8	RMC	386	+ 10
Bairstow Eves	165	+ 8	RTD	24	+ 10
Bellair Cosmetics	54	+ 6	Reed (Austin) A	161	+ 5
Bifurctd Con Pr 91-3	90pm	+ 10	Rugby Portld Cement	117	+ 7
Blue Circle	482	+ 17	Tate and Lyle	312	+ 8
British Aerospace	208	+ 11	Tate of Leeds	137	+ 10
Bulmer and Lumb	53	+ 9	Thorn EMI	525	+ 10
English China Clays	208	+ 7	Westland	137	+ 12
Fitch Lovell	137	+ 8	Carr Boyd	99	+ 5
Glaxo	915	+ 45	Hampton Areas	182	+ 8
House of Fraser	174	+ 8	Kitchener Mining	74	+ 6
Hunterprint	155	+ 12	President Brand	£33⅝	+ 2
ICI	436	+ 8	Minorco	845	+ 90
Kwik Save	293	+ 7	RTZ	608	+ 20
			FALLS		
Manders	152	+ 12	Bilton (P.)	280	− 8
Marler Estates	96	+ 11	Poseidon	282	− 8

Share price peak boosts optimism

BY MAX WILKINSON AND JOHN HUNT

THE Prime Minister yesterday added her authority to the view that economic recovery is gathering pace as share prices hit new records and further evidence emerged that industrial output is picking up.

Mrs Thatcher said in an interview on Independent Radio News that Britain and other Western economies were seeing the beginnings of a solidly-based economic recovery: "My view is one of cautious optimism," she said. "There are more signs in more countries together than there were six months ago and that is good."

She was speaking at the end of a good week for the Government. The pound has been strong, putting on more than 4 cents against the dollar since last Friday. Interest rates have fallen, and share prices have risen by around 4 per cent.

Mrs Thatcher said the signs of simultaneous recovery in *Britain, the U.S. and West* Germany made her more hopeful that the economic improvement would be solidly-based rather than being a short-lived effect of changes in stock levels.

She was referring implicitly to the false dawn last spring, when ministers proclaimed recovery was at hand, only to see it peter out in the summer. There now seems to be quiet confidence in Downing Street and the Treasury that significant growth is about to resume. Their reasons for optimism are:

● Industrial output rose by 1.5 per cent in the three months to February compared with the average for the previous three months, according to official figures out yesterday. The *February index for manufacturing* output was slightly below the figure for January, which was generally considered to be artificially high. Average manufacturing output rose by 1.2 per cent in the three months to February compared with the previous three months.

● Sterling has recovered since Easter. Its value against the Bank of England's trade-weighted basket of currencies rose by 2.8 per cent in the week since last Friday. This firmness has not wiped out the competitive advantage which industry gained in the pound's depreciation last autumn. Sterling's trade-weighted value is still 9 per cent below its level of early November.

● Interest rates have fallen because of the increased flexibility provided by a stronger pound. On Thursday, clearing banks cut their base lending rates by ½ a percentage point to 10 per cent. The authorities have indicated they do not see scope for a further fall in rates at present, but the pound remained strong, adding ¾ cents to its value in London yesterday to close at $1.548. Continued strength in the next few weeks might encourage the markets to bid interest rates down further.

● Steel production, usually a good indicator of economic activity, has risen sharply in the first three months of this year. Industry figures out this week show that output in the first quarter was about 38 per cent higher than in the final quarter last year on a seasonally adjusted basis, although it was still somewhat lower than in the equivalent period last year.

● Share prices have been booming since the beginning of the year. Yesterday the FT Industrial Ordinary Share index closed at 695.5, just short of the psychological 700 level. It rose 6.6 on the day for a gain of 25 points over the week. The index has risen by almost 100 points, or 17 per cent, since the start of January.

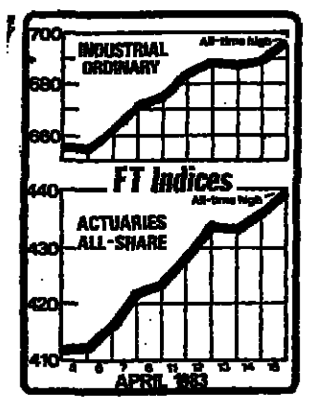
● The Confederation of British Industry has been generally optimistic about the prospects for recovery, in marked contrast to its view a year ago. Recent CBI surveys of industry have indicated increased confidence and fatter order books. Sir Terence Beckett, director general of the CBI said on Thursday he saw a good chance that growth in the economy would be higher this year than the 2 per cent predicted by the Treasury in March.

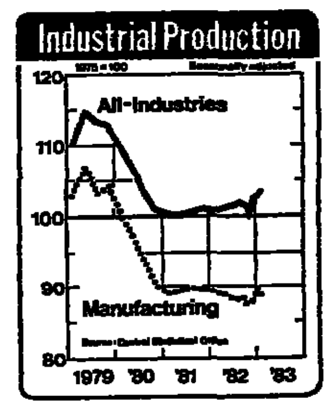
The Central Statistical Office says the overall production figures suggest the underlying level of output—allowing for changes in stocks—is 3 per cent above its level at the bottom of the recession in spring 1981. However, the stock figures needed to back this assertion are not yet published.

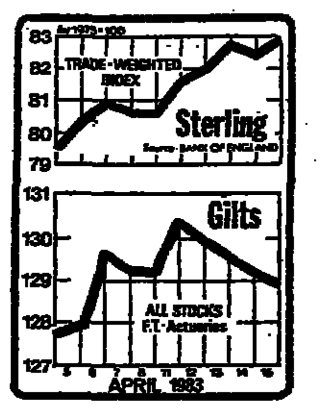
Mr William Whitelaw, the Home Secretary, said yesterday: "As the full effects of Sir Geoffrey Howe's recent budget are beginning to be felt, I detect a mood of optimism. There is no doubt we are through the worst of the recession," he said.

The climate for real expansion was emerging based on a sound economy and a truly competitive industry.

Exchange rate prospects, Page 3; Lex, Back Page







U.S. output up 1.1% in March as prices fall

By Anatole Kaletsky in Washington

U.S. industrial production increased by 1.1 per cent in March, a substantially bigger gain than had been generally expected. The figures, published yesterday by the Federal Reserve Board, suggested that the U.S. economy is moving steadily into recovery after hesitating slightly in February, when industrial production increased only 0.3 per cent.

Most economists still believe that the recovery will be moderate by historic standards and anxieties persist about the impact of high interest rates on business investment, consumer confidence and exports. But a particularly encouraging feature of yesterday's industrial production report was that it showed improvements throughout the economy, including business equipment and non-durable consumer goods—two sectors which had remained weak even while the rest of the economy began to rebound in December and January.

Adding to the good news, the Labour Department announced that wholesale prices fell by 0.1 per cent in March after rising 0.1 per cent in February and dropping a full percentage point in January. The resulting 1 percentage drop in wholesale prices for the first quarter as a whole was the first quarterly decline since 1976 and the biggest drop for more than 30 years.

Yesterday's statistics were welcomed by Mr Martin Feldstein, President Ronald Reagan's chief economic adviser, who said they underlined the credibility of the Administration's recently revised economic forecast for 1983. This predicts consumer price inflation of only 2.9 per cent this year and real growth of 4.7 per cent between the fourth quarter of 1982 and the fourth quarter of 1983. The growth forecast translates into a 2.9 per cent gain for average

Continued on Back Page

£ in New York

	April 14	Previous
Spot	$1.5450-5465	$1.5375-5390
1 month	0.14-0.13 dis	0.14-0.11 dis
3 months	0.29-0.26 dis	0.28-0.25 dis
12months	0.39-0.32 dis	0.45-0.35 dis

UK expels Soviet labour attache in retaliation

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

BRITAIN yesterday announced the expulsion of Mr Anatoli Tchernaev, the Soviet labour attache, in retaliation for the recent expulsion from Moscow *of Mr Anthony Robinson*, the Financial Times Correspondent in Moscow, and Squadron Leader David Williams, the assistant air attache at the British Embassy in Moscow.

This latest move in the biter htuman trafficking between Britain and the Soviet Union drew prompt criticism from the Soviet Embassy in London. A *statement issued last night* described the British action as totally unjustified.

It was: "Nothing but an anti-Soviet political move," the embassy said. It hinted at further Soviet retaliation by adding: "The responsibility for the possible consequences of it fully rests with the British side."

However, the Foreign Office said last night that it would take an extremely serious view of any Soviet attempt to extend the chain of attack and counter-attack which began just before Easter.

On March 31, Britain announced that it was expelling two Soviet officials for "aoctivities incompatible with the status" and one Soviet journalist for "unacceptable activities." One week later the Soviet Union responded by acting against Squadron Leader *Williams and Mr Robinson.*

The Britons were also accused of unacceptable activities, but last night the British Foreign Office made no accusations against Mr Tchernaev, instead making it clear his expulsion was a direct response to the latest Soviet act.

The Foreign Offilce apparently considered threatening a Soviet journalist, but concluded that expulsion would harm the UK press corps in Moscow and that Mr Robinson had scant chance of being allowed back by a government which had just implied he was a spy.

Mr Tchernaev is 35 and has one son. His colleagues insisted he had carried out the normal duties of a labour attache and that he had been well-known to British diplomats in Moscow when working on the British desk at the Soviet foreign ministry. He had been in Britain since 1979.

The Foreign Office said last night that his expulsion would not be followed by any reduction in the number of Soviet diplomats allowed in London.

This winter the British Government had decided an attempt should be made to improve relations with Moscow

UDS board brings in new financial advisers

BY RAY MAUGHAN

THE DEEP boardroom split at UDS Group has led to a change of financial advisers as competing bids from Bassishaw Investments and Hanson Trust for the multiple and department store retailer enter a critical week.

Hill Samuel, the merchant bank which has advised UDS throughout the bid period and for several years before, stood down yesterday as the executive directors of UDS appointed Charterhouse Japhet to give financial advice.

The boardroom split has divided Sir Robert Clark, chairman of both UDS and Hill Samuel, and Mr David Jessel, *another non-executive director*, from the executive members of the board who are headed by Mr Stuart Lyons, managing director.

Hill Samuel, Sir Robert and Mr Jessel firmly backed the equity or cash offer from Hanson but the executives have supported the lower cash offer from the Bassishaw consortium. The executives claim that Bassishaw has given more detailed assurances about the future development of UDS and about security for employees.

Hill Samuel acknowledged that it might "be unable to prosecute the board's views to third parties with complete credibility."

Charterhouse Japhet took over after discussions on Thurs-

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Cable TV companies concerned over White Paper proposals

BY JASON CRISP

SEVERAL cable television companies are seriously concerned about Government proposals for the industry which will be contained in a White Paper to be published early next month.

The White Paper, intended to open the way for the widespread introduction of cable television in Britain, was first expected in February. It will soon be in its final draft and has then to be approved by the Cabinet E committee, chaired by the Prime Minister.

Existing cable companies are worried about a number of proposals which may be in the White Paper—even though the Government believes it has gone *a long way to meet their wishes.*

Last summer's euphoria for cable television has died down and potential investors have become increasingly wary about its likely profitability.

The major points of concern about the White Paper are:

● Advertisement regulation. The White Paper is expected *to say that advertising should* be allowed, but cable companies fear it will be too closely controlled.

● Pay-per-view. Cable companies are expected to be allowed to charge a premium for watching special programmes such as films shortly after they are released. But there are also expected to be restrictions to prevent cable companies *monopolising* national events such as sports. Cable companies fear they will be restricted to local events.

● Import quotas. The Government is expected to approve a scheme which will limit the amount of imported material which can be shown. The fear is that it will be impossible to fill the channels without a high level of imports.

● Interim arrangements. No decision has been made on the interim period before legislation can be passed. Cable companies want existing cable systems, which can usually only carry four channels, to be relieved of their statutory obligation to carry the broadcast services. There is a growing fear that this will be refused and the Government may grant a token number of new franchises.

Although the White Paper is close to publication several final decisions have yet to be made and it is likely there will be fierce lobbying up to the last moment.

In December last year the Government outlined its broad plans for the massive expansion of cable television in the UK. One of its particular attractions was the potential for developing the interactive services such as shopping and banking from home via the television set.

The Government is to insist that any cable television operator will have to offer a minimum of interactive services. Franchises will depend on the sophistication of the system. Conventional "tree and branch" systems will have a 12-year franchise. The more sophisticated, and expensive, switched systems will be for 20 years.

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For latest Share Index phone 01-246 8026

OVERSEAS NEWS

BIS mulls over $100m credit for Hungary

By Peter Montagnon, Euromarkets Correspondent

WESTERN CENTRAL banks are discussing the possibility of extending a further $100m (£64.69m) short-term credit to Hungary through the Bank for International Settlements (BIS).

This is despite assertions by central bankers that the recent $500m loan to Yugoslavia would be the last bridging operation to be agreed by the BIS, which acts as banker to the central banks of the industrialised world and includes Japan among its members.

Revelation of the discussions came as an embarrassment to the BIS yesterday. Like the leading shareholder central banks involved, it was not prepared to comment on the possibility of a fresh credit to Hungary, or on reports that the idea was meeting strong resistance from the Bundesbank, the West German central bank.

The Bundesbank, however, is one of the central banks which have been expressing a growing distaste for such bridging operations, on the grounds that too many hard-pressed debtor countries were beginning to regard the BIS as an easy touch for cash.

In fact, the bank has always imposed strict conditions on its loans, which are strictly bridging operations, usually in advance of a disbursement of money from the International Monetary Fund (IMF).

Paris foresees investment slide

By David Housego in Paris

INVESTMENT by French industry is expected to continue its downward slide this year, though more slowly, according to the latest survey of business intentions, carried out in March by the government statistics office, INSEE.

Industry foresees a 3 per cent drop in real terms this year, after a fall of 5 per cent last year.

The survey was carried out before the announcement on March 25 of stabilisation measures, which are expected to be contributive to stagnation or contraction this year.

SURVEILLANCE INCREASES CONGRESS CONCERN

Awacs flights monitoring Nicaragua

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

CONGRESSIONAL and public anxiety over U.S. involvement in Central America seemed set to increase still further yesterday with the revelation that sophisticated American radar surveillance aircraft have been monitoring Nicaraguan airspace for the past two months.

Officials stressed that the unarmed airborne warning and control system aircraft (Awacs) had been flying over international waters off the coast of Nicaragua and that no international laws had been violated. The Pentagon would reveal no more, but the purpose was assumed to be to assess the extent of arms shipments from Cuba to Nicaragua and their onward transmission to the Left-wing guerrillas fighting the U.S.-backed Government of El Salvador.

The Administration has constantly asserted that there is a major flow of Soviet-supplied arms to the El Salvador guerrillas via this route, but its published evidence so far has only been patchy.

While the Awacs flights are for intelligence-gathering, and are not strictly speaking military operations, the disclosure of their existence can only fuel the debate that is raging on Capitol Hill over the legality of U.S. activity in Central America.

The so-called "Boland amendment," passed last December, bars the Administration from any action designed to overthrow the government of Nicaragua. At his news conference on Thursday, President Ronald Reagan insisted that "we are not doing anything" to overthrow the Sandinist Government, but indicated that he found the Boland amendment unduly restrictive.

He spoke as moves continued in Congress to tighten the legislation still further. Mr Edward Boland, a Massachusetts Democrat and the author of the amendment, now says that "the evidence is very strong" that the law is being broken by covert U.S. support for right-wing guerillas fighting the Sandinist Government from bases in Honduras.

As chairman of the House Intelligence Committee, he has asked Mr George Schultz, the Secretary of State, to appear before the committee next week to answer the charges. His allegations of impropriety were supported yesterday by eight members of a fact-finding group, including two Congressmen, who recently returned from the area with the verdict that the Administration was "deeply involved' in helping the Nicaraguan guerrillas.

Earlier this week, a key House sub-committee voted to prohibit any further U.S. aid to the guerrillas, except under the strictest possible conditions.

Brussels fines W. German steel group

BY PAUL CHEESERIGHT IN BRUSSELS

KLOECKNER-WERKE, the West German steel producer, has been fined DM 109.66m (£29.1m) for exceeding the production quota allotted to it under the EEC scheme to restrict steel output in the face of low demand. But the company does not intend to pay.

Imposition of the fine is a further move in the long-running dispute between Kloeckner and the Commission over the size of its quota. Already there are 12 cases relating to the dispute before the European Court of Justice.

The latest fine covers the last quarter of 1981 and the first two quarters of 1982, Kloeckner said yesterday. The group has previously received fines totalling DM 97m for exceeding its quotas during the first three quarters of 1981.

Kloeckner has consistently opposed the quota system, and stood out against a voluntary arrangement before the Commission used its powers under the European Coal and Steel Community to impose a crisis regime on the EEC steel industry.

Behind Kloeckner's stand is concern to achieve maximum returns from heavy investment in a strip mill at Bremen which started production in 1974 but has been consistently underused.

Whether Kloeckner will be able to continue its defiance of the Commission is likely to be decided by the European Court next month. In February, the court's Advocate-General recommended that the court reject the Commission's quota rulings for Kloeckner as inequitable.

If the Court accepts this, the Commission's ability to keep the quota system intact while restructuring goes ahead will be severely impaired. The present system expires at the end of June and Industry Ministers later this month will discuss whether they want it to continue.

Commission officials noted yesterday that the imposition of fines for exceeding quotas is normally routine. The Kloeckner fine was one of 12 inflicted this week on companies from Belgium, France, West Germany, Italy and the Netherlands.

Belgian coalition to seek extended special powers

BY LARRY KLINGER IN BRUSSELS

THE CENTRE-RIGHT coalition Government in Belgium decided yesterday to seek a renewal of its special parliamentary powers to press ahead with its austere programme for economic recovery.

The 16-month-old coalition of Centrist Christian Democrats and conservative Liberals, under Mr Wilfried Martens, will ask Parliament to extend until the end of this year its 1982 powers.

Through those powers, the Government has introduced hefty budget cuts, higher taxes and stern controls on wage rises.

The new special powers, like their predecessors, leave open the possibility of a non-confidence vote being sought at any time. But they also allow the Government to take important economic decisions without submitting them to lengthy parliamentary debate. The 1982 version has been trimmed but is little changed in effect.

The 1982 measures to curb wages, for example, have been dropped. But the wages programme already adopted, which could continue to restrict rises to as little as half of the country's traditional indexed rate, will stay extant in 1984.

World Bank chief pushes for soft-loan support

BY WALTER ELLIS IN THE HAGUE AND DAVID TONGE IN LONDON

MR TOM CLAUSEN, president of the World Bank, said yesterday that his "number one priority" was to ensure increased support from the rich countries for the International Development Association (IDA).

In The Hague on the second leg of a European tour to express his concerns about the problems of securing finance for the bank's soft-loan facility, he said he hoped that the problems might be resolved next month at the Williamsburg summit of governments

He underlined the urgency he had expressed in London on Thursday about the need for the summit to agree on a large increase in loans to the "poorest of the poor countries."

The U.S. administration, brushing aside commitments made by its predecessor, has delayed its contributions to the IDA. It is now asking Congress for $245m for 1983 and $1.1bn for 1984.

Mr Donald Regan, the U.S. Treasury Secretary, told a congressional committee on Wednesday that he would like the IDA to increase sharply its charges on loans to the poor countries hwich are its clientele.

Iran, Iraq row puts stop to oil slick talks

EIGHT GULF countries yesterday abandoned crisis talks on a giant oil slick threatening their shores as warring Iraq and Iran blamed each other for the debacle, Reuter reports from Kuwait.

Ministers from the eight states gave up after three days of trying to persuade Baghdad and Teheran to let workmen cap wells in an Iranian field in the Gulf war zone, delegates said. Iraq offered a limited ceasefire in the slick area but Iran said it wanted explicit safe-conduct for repair crews.

South Africa test

The South African Government has agreed to "test the opinion" of Coloureds and Indians on its new constitutional proposals, the Prime Minister Mr P. W. Botha said after a meeting with community leaders, Bernard Simon reports from Johannesburg. He did not commit himself to a referendum along the lines of that already announced for whites.

U.S.-Japan trade

Japanese Prime Minister Yasuhiro Nakasome yesterday approved a plan to resolve a dispute with the U.S. on Japanese imports of beef and citrus fruit, Agriculture Minister Iwazo Kaneko said, writes Reuter from Tokyo. The compromise plan would include acceptance of higher import quotas of the products

Canton ban for KLM

China has banned the Dutch airline KLM from using Canton as an alternative or bad weather airport in an apparent protest against the start of direct air services between Taiwan and the Netherlands, a KLM spokesman said yesterday, AP reports from Amsterdam.

China backs Muldoon

Chinese Prime Minister Zhao Ziyang yesterday supported a call by New Zealand Prime Minister Robert Muldoon for an international conference on the world monetary and financial systems, along the lines of the 1944 Bretton Woods conference, Reuters reports from Wellington.

India tightens policy on imports in bid to protect industries

BY K. K. SHARMA IN NEW DELHI

THE Indian Government yesterday tightened the liberal import policy followed in the last five years by announcing changes that will lead to an estimated saving of Rs 5bn (£335m) in foreign exchange in 1983-84, nearly 20 per cent of the value of imports covered by the policy.

The restrictions have been imposed at a time when the pressure on the foreign exchange reserves is increasing despite instalments of the three-year $5.7bn loan from the IMF agreed in 1981 and signs that India's annual trade deficit of about $5bn (£3.3bn) is narrowing.

The savings in imports as a result of the new policy affect capital goods, intermediate products and raw materials. The impact of this policy on the trade deficit should be considerable, especially if the 1983-1984 exports target of Rs 105bn—a 15 per cent rise—is realised.

Mr V. P. Singh, the Commerce Minister, told Parliament that the aim of the policy was to provide further impetus for exports through new incentives, to make all possible savings in imports, to provde support to domestic industry and to maximise use of the country's resources.

The policy also aims to improve technology in areas geared to exports and energy conservation and to further simplify procedures by reducing Government controls.

Protection of domestic industry is to be provided by the removal from the free-import category of 38 items, such as viscose filament yarn, aluminium tubes and air and gas compressors.

In addition, 40 raw materials have been put in the restricted or banned category and imports of 27 items of machinery for the printing and jute industries have been banned.

India's trade policy has, however, been liberalised, by the 144 items of industrial machinery for free import. This will benefit industries engaged in electronics, meat and fish processing, spectacle frames, industrial jewels, garments and hosiery.

The main aim of the policy, however, is to curb imports, fiercely protecting many sectors of Indian industry from foreign competition, and to stimulate exports by giving concessions to expanding industries.

The restrictions are not expected to affect disbursements of further instalments of the IMF loan. A team from the IMF which visited India recently is reported to have been satisfied by the country's performance.

Hawke says wage freeze may last until September

BY MICHAEL THOMPSON-NOEL IN CANBERRA

MR BOB HAWKE, the Australian Prime Minister, said yesterday he was confident the country's national wages freeze would extend at least until September.

Ministers hope that average wages increases this year can be held to 3 or 4 per cent, so as to capitalise on the mood of industrial co-operation between unions and employers established at this week's economic summit meeting in Canberra.

The meeting, convened by Australia's recently elected Labor Government, produced broad agreement on a range of Labour policies, including a return to centralised wage fixing.

It was important, said Mr Hawke yesterday, to repair the "tangled and broken threads of wage fixation," in Australia. The present wages freeze was introduced in December, and was due to run for six months, although the employers hoped it might last as long as a year.

Despite his triumph at the summit, Mr Hawke faces mounting political controversy in Tasmania, where the state government is proceeding with plans to build a hydro-electric dam in the south-west wilderness, despite federal government attempts in the High Court to have the work halted.

The Tasmanian Wilderness Society claimed yesterday the Tasmanian Hydro-Electric Commission was moving more heavy construction equipment into the wilderness, including nine bulldozers.

It said the Government must seek a temporary injunction in the High Court to get the work stopped.

Police are investigating reports that a A$250,000 (£142,500) "contract" has been issued on the life of Mr Robin Gray, the Tasmanian Premier.

The Federal Government was criticised recently for ordering photographic reconnaisance flights over the dam site by air force Mirage and F-111 aircraft.

What China wants is Tsingtao beer

BY TONY WALKER IN PEKING

THE RUSTIC city of Qingdao, on the shores of the Yellow Sea, is known for its balmy climate and fine German architechture, but most of all for its beer.

Tsingtao beer is to China what Budweiser is to America, Lowenbrau to Germany and Foster's to Australia. Its reputation stretches well beyond China itself. More than 60 per cent of the Tsingtao brew—the old spelling has been preserved on the distinctive green, red and blue labels—is exported each year to Europe, Asia and North America.

Perhaps it is no accident that Qingdao is a favourite holiday retreat for members of the Chinese leadership. Deng Xiaoping sometimes spends his summer vacation at a villa on the seafront and so, too, does ageing Marshal Ye Jianying.

The villas and rest houses for the Communist elite are just over the hill from China's most famous brewery, an odd collection of ancient and modern buildings on the site where the first pints of the famous light brown ale were pulled 80 years ago.

The brewery was established in 1903 by the Germans and the British to serve a small foreign settlement. It was known as the British/German Brewing Company Ltd and it was the early German brewmasters who gave Tsingtao beer its characteristic light colouring and clear frothy taste, which is maintained to this day.

Zhang Xiying, the brewery's jovial public relations officer, says demand far outstrips supply in Chinese and overseas markets, so that there is no need to advertise. A steady stream of Chinese and foreign visitors make a pilgrimage to the home of the best Chinese beer. On one occasion a Japanese, overcome by an afternoon's sampling, shouted: "Long live Tsingtao beer."

Marshal Ye Jianying would no doubt have agreed with the sentiment, as in 1979 he praised the qualities of Tsingtao beer in a poem which drew inspiration from a verse penned in the Three Kingdoms period extolling the virtues of plum wine.

> Workers at the brewery receive a special bonus each month in the form of 10-20 bottles of beer. Each bottle is worth about 46p, or about a tenth of a Chinese urban worker's average weekly wage.

The fortunes of the brewery are entwined with those of the city itself. Qingdao was established in 1898 just five years before the brewery opened its doors.

Under an agreement signed by the German Government and imperial China in 1898, Qingdao became a treaty port. The German lease was to last for 99 years, but in 1914 Japanese forces occupied the town and the following year China was forced officially to recognise that Japan had assumed all the rights which had belonged to Germany.

The Japanese liked the Tsingtao brew. The brewery survived and continued to prosper through war, occupation and internal revolution. Production was not seriously affected even during the ten years of turmoil up to 1976.

What makes Tsingtao beer taste better than any of its competitors? The secret, apart from the old German recipe which is still followed, probably lies in the supply of clear spring water from Lao mountain about 12 miles away.

The Laoshan spa is believed to have medicinal qualities and it is the boast of the brewery management that a regular glass of Tsingtao beer is good for your health. "Every good drink is based on good water," said Zhang with satisfaction.

Tsingtao's chief brewmaster is actually a brewmistress. Madam Xu admits to being able to judge by small changes in smell if a batch of beer is not quite right. If her "nose" tells her something is wrong, Madam Xu orders further processing so that the beer comes up to the high standards for which the brewery is renowned.

Since 1903, production has grown enormously. In 1982 output was 50,000 tons and the management has plans to double that. Profits last year were about 10m yuan (£3.4m). Workers at the brewery receive a special bonus each month in the form of 10-20 bottles of beer.

Workers are not allowed to drink on the premises and there are no problems of alcoholism, according to the management.

This was certainly not enough for a visiting group of German brewers, however, who recently gave technical seminars at the brewery.

When tea was served in traditional Chinese fashion at the morning meeting, the brewers asked for beer. The Germans drank through their morning discussions, continued through lunch, topped up their glasses for the afternoon session and at the evening banquet toasted in beer instead of maotai, the traditional drink, to the bemusement of their hosts.

When the German brewers came to leave next day on the train they asked for several cases of Tsingtao to keep them company on their journey. "German beer is good," one of the brewers is reported to have said, "but this tastes better."

Bangladesh aid agreed

BY DAVID HOUSEGO IN PARIS

BANGLADESH is to receive $1.7bn (£1.1bn) in aid from Western donor nations for 1983-1984, it was agreed in Paris yesterday. This is below the $2.25bn Bangladesh was seeking but about the same level as last year.

Mr M. M. Muhit, the Bangladesh Finance Minister, said after the two-day meeting of the Western consortium group that he hoped the assistance would be boosted to $2.1bn by the end of the fiscal year.

Last year Bangladesh received $1.9bn in aid, though only $1.7bn was initially pledged by donors meeting under the auspices of the World Bank.

The fresh assistance comes at a time when the Bangladesh economy is recovering from two years of drought and continuing balance of payments difficulties.

Argentine military regime lifts ban on Peron

BY JIMMY BURNS IN BUENOS AIRES

ARGENTINA'S military Government yesterday repealed a seven-year institutional act banning former President Maria Estela "Isabelita" Peron and 25 other former Government and trade union officials from political activity and the holding of public office for life.

Sra Peron whose Government was overthrown by a military coup in March 1976, has been living in Madrid since she was released from house arrest in July 1981. Following the coup the ousted president was condemned to 18 months imprisonment for misuse of public office but was immediately parolled.

Yesterday's move, appeared to be primarily designed to dampen the growth in unpopularity of the military regime, and significantly, was taken on the eve of a major human rights demonstration against the Government.

Suggested that the move ran the risk of dividing still further the Peronist party which is struggling to maintain its position as the country's major political force in the midst of violent internal squabbles.

Sources close to the former president, believe that Sra Peron will not return immediately to Argentina.

The re-appearance of Sra Peron on the Argentina political stage may also heighten tensions between moderate members of the armed forces and hardliners

Divisions within the Peronist-controlled union movement could sharpen following the inclusion in yesterday's move, of Sr Lorenzo Miguel, a former right-wing leader of the General Confederation of Labour.

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Vanbrugh forced to raise cash by property sales

BY ERIC SHORT

A MASSIVE outflow of policyholders from its £65m property fund has forced Vanbrugh Life Assurance to start selling off properties to raise cash.

The move, which underlines continuing weaknesses in commercial property markets, has been accompanied by a reduction of about 13 per cent in the price of the fund's property units.

Vanbrugh, a member of the Prudential Corporation, specialises in linked life and pensions business. Under these contracts, investors have a choice of funds, UK equities, overseas equities, property and fixed-interest.

As property markets stagnated, investors either cashed in their units and invested elsewhere or took advantage of the switching option and moved from the property fund into other Vanbrugh funds which have recently been producing higher returns—mainly the international fund and the equity fund.

Property funds normally keep a significant liquidity margin to meet cash demands without having to sell properties. But over the past six months some £7.5m has been switched to other funds and £5m paid out in cash and this has used up the available liquidity.

Property funds can establish the price of their units on either an offer or a bid price.

An offer price includes the market value of the properties in the portfolio plus the property acquisition costs, less a deduction for accrued capital gains. The bid price is lower and includes a full deduction for capital gains.

Vanbrugh, in an effort to stem the outflow of funds and discourage unit holders from leaving the fund, yesterday switched from an offer price to the lower bid price. The company only markets its units through intermediaries and these will be informed of the changed terms today.

Mr Brian Corby, chief executive of Prudential, said that in dealing with property funds one had to consider both the cash problem and the equity problem in ensuring that a fair unit price was quoted.

The decision to move to a bid basis — for the second time in under five years — and leave the Vanbrugh fund to stand on its own feet had been taken in spite of possible loss of investor confidence. The valuation would return to an offer price as soon as the cash inflow was "steadily positive" again.

Many other property funds are experiencing cash outflows and switching, including the two largest run by Abbey Life and Hambro Life. But these two funds have steady premium inflows to cushion the outgoings and still have adequate liquidity. Vanbrugh receives mainly single premiums.

Lloyd's overtrading case studied

BY JOHN MOORE, CITY CORRESPONDENT

THE AUDIT department within the Lloyd's of London insurance market is studying how one of the market's syndicates, whose members include sports personalities Mark Cox and Virginia Wade, came to accept more business than it was permitted under Lloyd's limits.

The syndicates, one of 431 insurance syndicates within Lloyd's is formed of 237 wealthy individuals who invest in Lloyd's by pledging their entire personal wealth to allow the Lloyd's market to function. They do not work at Lloyd's.

Members of the syndicate, which is managed by underwriting agents Spicer and White Underwriting Agencies, have been warned they face substantial losses. Total losses on the syndicate for the underwriting year just completed could be £1.8m, but they could rise on current and future underwriting accounts. In all, losses could reach £4.8m or more.

Underwriting agents who have introduced members to the syndicate met again on Thursday to discuss the situation. There is concern about the likely extent of the losses, which so far cannot be quantified fully. The seriousness of the problem has meant the accounts have been left open until the full extent of the liabilities can be assessed.

The syndicate—known in Lloyd's as syndicate 895—ceased trading following a breach in the limits set down by Lloyd's governing the amount of business the syndicate can accept. The underwriter who accepted business on behalf of the members and who breached the limits has been replaced.

Thursday's meeting of the 25 underwriting agents followed a meeting on March 23 when the worsening situation was first discussed. Lloyd's audit department is investigating the extent of the breach of premium income limits. No official estimates are available, but the syndicate is estimated to have overtraded more than double against the amount of business which it could accept.

Lloyd's is trying to draw up new rules to end abuses in the market through the breach of premium limits and is preparing guidelines.

Meanwhile, individuals that have had £20,000 of insurance business on the syndicate on their behalf stand to lose £39,000 on past and future underwriting accounts according to the latest estimates.

External members want more say

BY JOHN MOORE,

EXTERNAL MEMBERS of the ruling council of Lloyd's, the insurance market, are expected to insist on more involvement in the affairs of the Lloyd's community when the council meets on Monday.

The Lloyd's council came into existence at the beginning of this year after the enactment of new legislation designed to improve self-regulation in the Lloyd's market.

It is composed of 16 working brokers and underwriters, eight external members of Lloyd's (the individuals who pledge their wealth to allow Lloyd's to function but who do not work in the market), three independent members who have no connection with Lloyd's and Mr Ian Hay Davison, Lloyd's new chief executive.

Mr Ian Posgate, one of the 16 underwriting and broking members, is suspended from council work.

During the first sessions as a ruling council the external members and the outsiders delegated a wide range of powers for three months to the 16 working brokers and underwriters who form a Lloyd's committee. These delegated powers come up for renewal on Monday.

But in the last few years, external members have become concerned that major issues have not been reported back to the council for its endorsement.

A decision to allow two underwriters to continue transacting business in the market, while they are still at the centre of Lloyd's inquiries into the Fidentia affair, was taken by the committee.

External members of the council are concerned that the matter was not referred back to the council for ratification and endorsement.

The external council members are likely to insist on recognised involvement in major regulatory matters, although some are prepared that Lloyd's committee should have recognised specific powers.

At Monday's meeting, the committee will ask for the powers of delegation to be renewed, but the amount of power it is granted for a set period of time—such as three months—is expected to be more limited.

Murillo portrait sells for record £378,000

A PORTRAIT of a young girl by Murillo, perhaps the pendant to the Peasant Boy in the National Gallery, sold for £378,000 at Christie's yesterday, a record for a Murillo, an artist who has recently been returned to his former status.

It was the highest price in an Old Masters sale which realised £1,492,776, with 25 per cent unsold. The unsold figure was high because an Infant Christ with St John by Rubens and Frans Snyder was bought in, at £220,000.

Other high prices were the £129,600 from Agnew for a winter landscape by van Ruisdael; £97,200 for The Preaching of St John the Baptist by Pieter Brueghel the Younger; and £66,960 for a landscape with a fortified manor house by Salomon van Ruysdael.

People Express puts in new route application

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

People Express, the U.S. low-cost airline, has applied to the Trade Department for the transatlantic air route between Newark, New Jersey and Gatwick.

The airline plans to offer a single fare of $149 (£97) on the route. It has already been designated by the U.S. Civil Aeronautics Board as the favoured U.S. operator for the vacant slot on the route under the Anglo-American Bermuda Two air treaty.

A decision on the application must be reached by the Trade Department within 90 days, under the treaty. It sems likely it will accept the bid.

The airline has already filed its fares plan with the Civil Aviation Authority.

The authority, in turn, is obliged to wait until the Department of Trade has ruled in favour of the airline, before agreeing to the fares proposal. It appears likely the authority will approve the fares if the Trade Department approves the route.

This is because the CAA, in spite of last year's demise of Laker Airways, remains strongly in favour of cheaper Atlantic fares. It feels there is room on the rotue for a very low cost, cheap fare operator which does not try to compete directly with the bigger operators, such as British Airways, Pan American and Trans World Airlines.

However, People Express plans to offer a premium class fare for a high quality in-flight cabin service, at $439 (£286) single, that will compete with the current £438 Business Class single on the other airlines.

This fare might give the CAA some cause for concern, but much will depend on the quality of service offered by People Express

Finance Bill confusion halts fund investment

By Tim Dickson

AT LEAST two funds set up to take advantage of tax reliefs under the Government's business start-up scheme have halted investment until confusion over a clause in the current Finance Bill is resolved.

Representatives of the £355,000 Creative Capital Fund and the £234,000 Second Northern Venture Capital Syndicate said yesterday they had been advised to make no further investments until the Finance Bill reached the Statute Book. The legislation is likely to receive Royal Assent (General Election permitting) by around the end of July.

Creative Capital is managed by the British Linen Bank and Second Northern by Hodgson Martin Ventures. Both are managed from Edinburgh.

The Finance Bill provides for a business expansion scheme, which will have a much wider scope than the start-up project. Notably it will allow tax relief to individuals who subscribe for shares in established unquoted companies (excluding those on the Unlisted Securities Market), not just new ones.

The problem appears to concern managers with money raised last year under the start-up scheme but which hitherto is uninvested.

The Bill in its present form withdraws business start-up scheme relief from April 5 and substitutes the business expansion and relief from April 6. Approved Investment Funds will have to seek new approval if the Bill becomes law.

Chancellor backs Richardson's view of exchange rate prospects

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

SIR GEOFFREY HOWE, the Chancellor, yesterday endorsed the view of Lord Richardson, the Governor of the Bank of England, that the prospects of greater exchange rate stability have improved.

However, in a speech last night to the British Ceramic Manufacturers' Federation at Stoke-on-Trent Sir Geoffrey took a very cautious view of the prospects. He emphasised the need for inflation rates to be brought down and for economic policies of the major countries to be brought closer together.

"As we recognised at the Versailles summit, that is the only road to currency stability; there is no short cut," the Chancellor said.

Sir Geoffrey's comments followed a major speech on Tuesday by Lord Richardson who suggested that progress was being made towards more stable exchange rates. He was very sympathetic to the idea that Britain should join the European Monetary System exchange rate mechanism when the time was right.

Sir Geoffrey's emphasis, however, was substantially different. He said that Government intervention in the foreign exchange markets could have little influence beyond smoothing out sharp fluctuations.

To direct the Government's financial policies including interest rate policy towards the maintenance of a particular exchange rate was "quite unrealistic," Sir Geoffrey said.

He drew attention to the very large fluctuations in rates in recent years, and pointedly referred to the change in the pound's value since March 1979 when the EMS began. Those who have been opposed to joining Britain's EMS exchange rate system have used the fluctuations of sterling as one of their main arguments.

Yesterday the Chancellor said sterling had appreciated by 30 cent against the French franc and the Italian lira and by 15 per cent against the basket of all EMS currencies. In the same period it has fallen 30 per cent against the dollar.

"Against that background, an attempt to keep an exchange rate target would have meant huge and damaging instability in domestic interest rates and policies—just as it did the last time we tried it—in 1977."

On the other hand, when countries achieved lower inflation rates and a greater convergence of economic policies he said, "there may in due course be scope for a cautious return towards some more structured world system for the major currencies.

"I certainly hope we will be able to make further progress at the Williamsburg summit in May," he said.

Gibraltar fleet decision 'insane'

BY KEVIN BROWN

THE GOVERNMENT'S decision to send a Royal Naval fleet to Gibraltar as part of a naval exercise despite Spanish protests was "insane," Mr Stanley Clinton Davis, a Labour front bench spokesman, told the Commons yesterday.

In a debate on the problems of British overseas dependencies, Mr Clinton Davis said it seemed the Prime Minister had been involved in the decision to send the fleet, including the aircraft carrier HMS Invincible, which served in the Falklands.

"In the circumstances it was a somewhat insane decision having regard to what is at stake for Spain and for Britain," he said.

Mr Clinton Davis said the Government should be deeply concerned about anything that could endanger the fledgling Spanish democracy.

"I am simply not persuaded that it was absolutely essential as a result of a naval exercise to send Invincible to Gibraltar. I am not persuaded that was the more important consideration than the avoidance of something was was bound to be seen by Spain as deeply provocative," he said.

Mr Clinton Davis said it was not sensible for Britain to refuse under any circumstances to negotiate about the sovereignty of Gibraltar. The guiding principle should be the frame of mind of the Gibraltarians.

Spain was a friend and ally, and would probably soon be a member of the EEC. "Every Spaniard believes Gibraltar is an anachronism. We should engage in a reasonable dialogue, rather than take actions bound to be seen as offensive and provocative," he said.

Mr Ivor Stanbrook, Conservative MP for Orpington, opening the debate, said the Spanish Government should be told that Britain would block its EEC application if the "spiteful, petty campaign" against Gibraltar was not stopped.

"After the experience of the Falklands, the Spanish Government needs no reminder that we shall defend our people and our territory, by force if necessary," he said.

Commitment to $30 oil price sought by BNOC

By Richard Johns

THE British National Oil Corporation has asked customers and suppliers to commit themselves to accepting the new North Sea oil reference price of $30 a barrel for the full second quarter in a move to consolidate market stability.

Yesterday the major producers and users of North Sea oil had still not replied to the telex sent by BNOC. Shell, British Petroleum and Esso — together responsible for nearly half the output from the UK sector of the North Sea—were still considering the request.

Their acceptance of the $30 price proposal, effective from March 1, was provisional. BP and Esso approved it retrospectively until the end of March only and Shell did not commit itself beyond the end of April.

With continuing evidence that the market is stabilising there seems good prospects that the industry as a whole will comply with BNOC's request.

By doing so the oil companies would not preclude a price review and the possibility of a reduction before the end of June. They would merely be reverting to the normal system whereby a rate is agreed for a quarter but can be revised if there is a significant change in market conditions.

This week there was a strengthening of optimism that the new North Sea price, and the related price structure of the Organisation of Petroleum Exporting Countries would hold.

Yesterday on the spot market Brent blend, the new UK reference, was at $29.80 compared with $29.40 last Friday while Nigerian Bonny Light was at a mid-point of $30.12.

UK NEWS

Signs of end to oil glut 'are beginning to appear'

BY RAY DAFTER, ENERGY EDITOR

THE FIRST signs of oil stock shortages have begun to appear in U.S. and European markets, according to Sir Peter Baxendell, chairman of Shell Transport and Trading.

Within the industry it is known that the Organisation of Petroleum Exporting Countries has been waiting for these signs to indicate that worldwide oil supply and demand is returning to a more balanced position.

Sir Peter, speaking in Guildford at a conference organised by Surrey University's energy centre, said the general perception of a glutted oil market now seemed to be changing.

He described the recent Opec agreement to limit production levels as "significant," adding: "What is impressive is that there does not appear to be very much cheating at the moment."

Sir Peter, who is also senior managing director of the Royal Dutch/Shell Group, refused to be drawn on the position of his own company's oil stocks. But he said the industry was beginning to see the first signs of stock shortages at petrol stations and other retail outlets.

When the oil industry as a whole finishes running down inventories, Opec should see a significant increase in demand — possibly as much as 4m barrels a day above Opec's present output agreed under its 17.5m b/d production ceiling.

In recent months demand for Opec oil has been unusually depressed, partly because oil companies have been drawing down their stocks.

Sir Peter said if oil prices were to fall lower it was preferable that the decline should happen in an orderly, gradual way. "A rapid and disjointed collapse could cause major international financial problems."

Even an orderly decline could pose potential problems, he said, for the public might again see oil as an ever-available, relatively cheap, all-purpose fuel.

Energy complacency would return to inhibit conservation; fuel substitution and the development of renewable energies, and the industrialised world could again find itself in the trap of being dependent on oil supplies from producers who might not be willing to make them available.

Housing leads building recovery

BY WILLIAM COCHRANE

THE ROLE of housebuilding as the front runner in the construction industry recovery was confirmed yesterday by new figures which show private housing starts in the first quarter of this year were the best since 1973.

Quarterly statistics from the National House Building Council show that starts in Great Britain for January-March were 43,200, an increase of 43 per cent over the same period last year, while completions rose from 25,300 to 34,800.

The council says these improvements occurred throughout Great Britain, even in regions which have high rates of unemployment. The biggest increase was in the South-east, including London, where starts rose from 10,000 to 15,600.

Slightly higher percentage gains were recorded in Scotland, the North and Wales — all around 60 per cent higher — but the council points out that as these areas started from a relatively small base, the figures should be regarded as indicative only of the general trend.

With a rise of 12,900 in unit terms, the NHBC is well on the way to fulfilling its prediction of more than 160,000 starts this year compared with 138,300 in 1982.

Mr Andrew Tait, director general of the council, said yesterday: "The outlook remains favourable except that mortgages are now becoming harder to get."

However, the National Council of Building Material Producers warned earlier this week that housebuilders are in danger of overacting to this year's upturn.

Their forecasts indicated private housing starts reaching 160,000 this year, but falling to 155,000 in 1984 and to 140,000 in the following year.

Private telegram service launched

BY LISA WOOD

A PRIVATE venture telegram service is to be introduced in the UK on Monday.

The service, called Couriergram, guarantees delivery within two hours to 95 per cent of England, Scotland and Wales and will operate through existing taxi and courier services.

A guaranteed two-hour delivery will cost £5.95; a delivery of up to 20 words and the address to which it is sent will cost £4.95 for a six-hour delivery.

The Post Office discontinued the telegram service last October. The number of telegrams sent declined from a peak of 63m in 1945 to 2m in 1981.

The service was also a persistent loss-maker. In 1980-81 it made a loss of £18m on an income of £10.7m and British Telecom said in 1982 it was losing £21m. Even in 1945 the service lost £100,000.

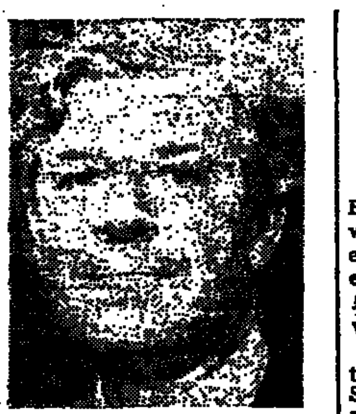
The directors of Couriergram are confident they will make a profit.

When the Post Office discontinued the telegram service it was handling over 2m telegrams a year. Couriergram aims to recapture 25 per cent of this business within 18 months.

British Telecom now operates a Telemessage service under which up to 50 words can be sent for £3. The message has to be telephoned or telexed to British Telecom by 8 pm and is guaranteed to arrive on the next working day with the first class post.

British Telecom declined to comment on the profitability, or non profitability of this service.

The Couriergram service wil have a network of about 750 delivery and dispatch agents.



Sir Larry Lamb

Sir Larry Lamb to edit Daily Express

By Gareth Griffiths

SIR ALBERT (Larry) Lamb, former editor of the Sun newspaper, has been appointed editor of the Daily Express in a move to stop the paper's circulation slide.

The appointment was announced yesterday and Sir Larry will take up his appointment on Monday. He takes over from Mr Christopher Ward, who has edited the paper since October, 1981.

Express Newspapers said yesterday that Mr Ward had left the newspaper by mutual agreement. For the past week the acting editor of the newspaper has been Mr Leith McCrandle.

The Daily Express circulation has been falling since its peak in 1961 when the paper sold 4.3m copies daily. The Daily Express was down to 1.979m copies during the period July to December 1982, only slightly ahead of its closest rival, the Daily Mail, which had a circulation of 1.861m.

Under Sir Larry's editorship the Sun grew to be the country's best-selling newspaper, with a rise in circulation from 650,000 in 1969 to nearly 4m in 1981.

The Daily Express has had several editors during the past few years. Express Newspapers, now part of Fleet Holdings, made a £1.1m pre-tax profit on a turnover of £115m for the nine months to June 1982, but the indications are that it is the Sunday Express with its circulation of 2.78m that is keeping the group in profit.

Sir Larry has had a mixed career since leaving the editorship of the Sun in April 1981. He received compensation of £213,000 when he left the board of Mr Rupert Murdoch's News International, the UK section of the Murdoch newspaper empire. He then became editor of The Australian, another Murdoch paper, but resigned and returned to Britain in January this year.

When one holiday pays for the next

By Raymond Hughes

DISSATISFIED holidaymakers could be using legal claims against tour operators to finance next year's holiday, according to a solicitor writing in the Law Society's Gazette.

Mr Stephen Mason suggests that damages claims over holidays are increasing and need to be looked at carefully.

Does it make sense, he asks, that families who have enjoyed the beaches, the sight-seeing and the shopping should be able to make a profit from breach of contract and general damages awarded for justified complaints about their hotel?

He cites the case of a man who paid £63 for a skiing holiday. He had a disastrous time, in particular because the advertised entertainments and house party did not materialise. He was awarded £125 damages for disappointment and breach of contract.

In another instance a court awarded £500 for "mental distress."

Shoddy holidays should not be excused says Mr Mason, but a judge's natural sympathy for the consumer rather than the trader should not override the careful working out of just how much compensation a disappointed tourist is entitled to.

'Police drop inquiry into housing group'

Financial Times Reporter

THE director-general of the Greater London Council, Sir James Swaffield, has been told that the police do not intend to proceed with any further inquiries into the conduct of the Strongbridge Housing Association, whose management committee included two members of the Conservative opposition on the GLC.

Mr Harold Mote, a GLC councillor for Harrow East and former chairman of the association, and Mr Geoffrey Seaton, a GLC representative for Surbiton and former chief executive of Strongbridge, stepped down after an investigation into the housing association's affairs began last autumn.

Mr Andrew Arden, a barrister appointed by the GLC Labour leadership to conduct an investigation into GLC aid to all housing associations, said in November he had referred certain matters involving the association's activities to the police.

He said yesterday, however, that the police had informed him they intended to make no further inquiries. The Arden inquiry is continuing and Mr Mote and Mr Seaton, who also withdrew from GLC activities while the police investigation was carried out, are continuing to co-operate.

Founder of Kwik Save to challenge tax decision

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

MR ALBERT GUBAY, founder of the Kwik Save discount grocery chain, is to challenge in the House of Lords a £1.3m capital gains tax assessment on 479,638 Kwik Save shares he gave his wife.

Yesterday Mr Gubay lost the second round of his legal battle with the Inland Revenue when the Court of Appeal dismissed his appeal against a High Court decision in July 1981 upholding the assessment.

The appeal judges ruled by a majority that the gift of the shares, made in 1972, gave rise to a chargeable gain under the 1965 Finance Act.

The court, which was told by Mr Gubay's counsel that the case concerned the correct interpretation of the tax rule under which married couples were taxed either separately or as one person, gave leave for an appeal to the Law Lords.

In the year of assessment, 1972/73, Mrs Gubay had not been resident in the UK having gone to live in the Isle of Man in April 1972.

Mr Gubay had remained a UK resident — though staying with his wife at weekends and on bank holidays—until October 1972, when he left the UK and joined her in the Isle of Man. The shares were transferred in July of that year.

The tax commissioners and the courts took the view that the couple could not be treated as living together at the relevant time. For tax purposes Mr Gubay had the status of a UK resident while his wife did not. The gift was therefore not exempt from capital gains tax.

LABOUR

Cheerful Scargill moves north with vigour and experience

BY JOHN LLOYD, LABOUR EDITOR

BRITAIN'S highest-paid mineworker yesterday produced eight tonnes of vigour and experience worth an estimated £50,000 from an abandoned working in Central London.

Mr Arthur Scargill was getting out of town. Being Mr Scargill, and Mr Scargill being president of the National Union of Mineworkers, the fact was not a simple matter of office relocation but a fundamental political issue. The eight tonnes of vigour and experience is germane to that issue.

The massive marble statue called Vigour of Youth and Wisdom of Experience, has graced the entrance of the National Union of Mineworkers' headquarters in Euston Road for 23 years. It depicts two miners, wearing only shorts, hacking at coal in a narrow seam with pick and shovel.

Yesterday Vanguard Removals hauled it out of the front door and put it on a lorry for Sheffield which, rather than London, is where Mr Scargill would rather be.

Mr Arthur Scargill in the NUM's empty London offices

Commissioned in 1960 by the NUM executive from Prof Edmund Moiret, the Austrian sculptor, at a cost of £6,000, the statue was quickly sucked into a wrangle between art and nature.

Prof Moiret, seeking models, visited a pit where the miners worked naked. On producing a mock-up based on his experience, he was promptly told by the shocked executive to clad the final marble loins with shorts—which, being a pragmatic Austrian, he did.

At the decommissioning ceremony yesterday Mr Scargill appeared genuinely lighthearted, spraying the press with interviews, agreeably posing beneath the statue as it was lifted ponderously on to the removal truck to give the impression he was holding it up, and amiably describing London as a sink, a wen, a cynics' playground and an elixir which turned militant Jekylls into awful moderate Hydes. He was, it seemed, glad to be going.

The statue appeared less keen to go. It stuck in the foyer for an hour past its estimated departure time while the removal men drilled away at the door frame.

As the statue finally crawled away up Euston Road, it appeared that a union in which vigour and experience had been fused could be on a similarly slow retreat, inch by inch, from the commanding heights it has held in the labour movement for a decade.

This has little to do with Mr Scargill, who will fight like a wildcat to keep it there as long as possible, but with the fact that his members little resemble the coal hewers portrayed by the statue.

His union's executive the previous day had been much concerned with matters like Minos and Fido, computerised face information systems which will put mineworkers behind consoles and give them stomach muscles as slack as stockbrokers'.

The miners may drag the depiction of their past strength up the motorway, but the future that awaits them in Sheffield is the same as the one they leave behind them in London.

Daly voted new Nalgo chief

BY OUR LABOUR STAFF

MR JOHN DALY, deputy general secretary of the 780,000-strong National and Local Government Officers' Association, was yesterday chosen to succeed Mr Geoffrey Drain, who retires as general secretary in November.

The national executive's decision to appoint Mr Daly, 52, to the £31,000-a-year job was expected. He is likely to keep Nalgo, which is affiliated to the TUC but not the Labour Party, on much the same centre-right path as did Mr Drain.

Other shortlisted candidates were: Mr Alan Jinkinson, assistant general secretary in charge of service and conditions; Mr Campbell Christie, deputy general secretary of the Society of Civil and Public Servants; Mr John Ward, general secretary of the First Division Association; and Mr Ernest Baxendale, Nalgo's district organiser for North Wales and the North West.

The executive must now appoint a deputy general secretary. There is speculation that the post may go to Mr Christie, rather than an internal candidate.

Mr Daly joined Nalgo's education department in 1968, having worked in the printing industry, the Workers Education Association, the National Union of Tailors and the TUC. He attended Ruskin College, Oxford, in 1952-54.

Mr Drain, a barrister, has been general secretary since 1973. He is a member of the National Economic Development Council and the TUC-Labour Party liaison committee.

ANTI-PRIVATISATION BATTLE

BT union appeals to the Gandhi spirit

BY DAVID GOODHART, LABOUR STAFF

MR BRYAN STANLEY, general secretary of the Post Office Engineering Union, grandly compares his union's anti-privatisation campaign to Gandhi's struggle against British rule in India.

The analogy may be strained but these are certainly the most challenging times in the history of the traditionally moderate and low-profile union.

In the past few years it has faced rapid modernisation, the splitting of British Telecom from the Post Office, liberalisation, restructuring of BT into separate profit centres and preparation for privatisation.

Industrial relations in BT have historically been good. The 130,000 POEU members have willingly adapted to technological change—and more recently competition—in exchange for job security and improving conditions. They have also been working in one of the few industries where employment opportunities have expanded in recent years.

The union has used its industrial muscle sparingly and has built a reputation for efficiency and effectiveness which now ensures the membership of 95 per cent of telephone engineers (and related grades) without the backing of a closed shop.

But the union has made it clear since privatisation was announced last July that it is non-negotiable and will be fought with every available means. Mr Stanley is equally adamant that the new private phone network, Mercury, should not be connected to the BT network.

The well-organised anti-privatisation publicity campaign has scored some successes. The Bill was delayed in the House of Commons—spending 176 hours in committee—and the Government was forced to withdraw the crucial Clause 3 relating to BT's draft licence.

The October 20 day of action showed some friction between the six BT unions—only three took strike action—but it also underlined the real support for the campaign among POEU members: almost all took action.

That support—like the campaign itself—is based partly on the fear of job losses and partly on opposition to the principle of privatisation which the union says will mean a poorer service.

Now the Bill has passed through the Commons union lobbying will continue in the Lords in the hope of forcing an amendment that would probably sink the Bill in the event of a June election.

The POEU has also decided to use the back-up weapon of selective strike action. The powerful left-wing minority, concentrated in the big city branches, has been pressing for action for months and appears to believe that industrial action can change the Government's mind.

They point to the success of the 1978 action backing the claim for a shorter working week which hit international calls and the Stock Exchange.

The executive is keen to restrict the action to government offices in Whitehall and the Bank of England to minimise the effect on the business and domestic customer. But the left—which is influential in Central London—may independently try to spread the action to business.

The short-term problem is how to sustain momentum until the election. The union is ideally suited to industrial guerrilla warfare with a few key workers able to cause considerable disruption.

Agreement has been reached in the annual pay negotiations covering 150,000 postal workers which the unions said was worth 6.3 per cent and the Post Office put at an average of 5.5 per cent.

The deal, which is about average for the present public sector pay round, will give 95 per cent of postmen, sorters and counter staff increases of 5 per cent from April, a further 1 per cent in August and an extra day's holiday. Postmen aged 18 get a special increase worth 9.7 per cent. New recruits will get rises of 1.5 per cent.

Negotiators accept 4.98% for teachers

By John Lloyd, Labour Editor

NEGOTIATORS for the majority of the 420,000 schoolteachers in England and Wales yesterday accepted a wage increase of 4.98 per cent and the establishment of a joint working group on pay comparability.

However, the 120,000-strong National Association of Schoolmasters / Union of Women Schoolteachers rejected the offer and will campaign against it. The other teaching unions, including the dominant National Union of Teachers, will recommend it to delegate conferences.

The Government's expected offer of a comparability working party, whose findings are likely to be fed into the 1984 pay negotiations, was described yesterday as crucial to the NUT's acceptance of the deal by Mr Fred Jarvis, the union's general secretary. Mr Jarvis said the offer could not be bettered in the present negotiating climate.

The settlement is slightly higher than the Scottish teachers' settlement of 4.97 per cent and the civil servants' 4.86 per cent and is in the medium range of public sector settlements. The Scottish teachers also received a pledge of some measure of pay comparability.

This concession is significant as the Government has opposed comparability exercises since it took office — influenced in part by its inheritance of the Clegg Commission from Labour, whose settlements it believed to be highly inflationary.

GEC-Hitachi strike to end

By Robin Reeves

WORKERS at GEC-Hitachi's South Wales television plant yesterday voted to end a week-long strike and accept what amounts to a pay cut.

The decision to return to work from Monday follows management warnings that the British-Japanese joint company was facing a critical financial situation and in serious danger of closing, and that dismissal notices were in the pipeline.

Senior executives from Hitachi, which joined forces with GEC four years ago to re-equip and modernise the former GEC-owned factory, are due to fly from Japan to Britain next week to discuss the plant's future.

Trade union sources have been told that GEC is interested in repurchasing the business by buying out Hitachi's share.

Wages will be frozen for a third year running and bonus payments cut.

SAVINGS OFFERS

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Base rate cut signals advance

LONDON

ONLOOKER

As sterling continued its recovery this week all eyes turned on the banks for the anticipated cut in base rates. The London market had followed the previous week's firm trend following the return of some stability to oil prices. But without the added ingredient of lower interest rates the advance seemed to falter in the middle of the week.

The banks seemed to be in no hurry to make a cut that would avert an unwelcome increase in building society mortgage rates. It took more than a nudge and wink from the Bank of England in cutting intervention rates, before the half percentage cut in the base rates came.

When it did the brakes came off in the equity and gilt markets and the show got on the road again with the FT Industrial Ordinary share index riding at a record level. As an added spur, optimistic sounds came from the CBI, and across the Atlantic Wall Street was bubbling at its best ever.

As the players ran off the field yesterday afternoon the FT index was all set to breach the 700 mark at 695.5 and last Monday's announcement that BTR had decided to do the expected thing and bid for Tilling with an offer worth £576m, seemed a distant memory.

With the FT-Index breaking records, it seemed that the City was saying that the oft-postponed industrial recovery had finally arrived. On Tuesday, Guest Keen and Nettlefolds, the engineering giant, announced a one-for-three rights issue worth £80m. Very pointedly, the City was being asked to put its money where its forecasts were.

This year so far, the major rights issues have met with very favourable responses. But not one of them came from the industrial sector. GKN did not help its case by omitting even the faintest idea of a profits forecast, and shareholders probably remember that only a week before the chairman had said that "it is not possible to predict how significant a recovery there might be."

GKN asks

Before the cash call GKN's shares stood at 178p each, just 1p below the 1982-83 high. The new shares were being offered at 145p each, but on the day the old ones tumbled to 162p, and by the week's close had come uneasily to rest at 156p. By all accounts the underwriting, which was not made any easier by the heavy underwriting of the BTR share offer the previous day, was no pushover. By the end of the week, those who had taken up the gauntlet must have been feeling a little nervous—and shareholders can keep them sweating for another four weeks.

GKN did, however, pledge to maintain this year's dividend payout on the increased capital. That will cost the company about £18m. In fact, including last week's issue, GKN has raised £183m in rights issues and paid out £151.5m in net dividends in the past eight years. But the company argues that the funds from its latest rights issue will reduce net debt.

If GKN's offer does finally meet with a favourable response from its shareholders, it is a fair bet that the bankers of a number of UK industrial companies will be pushing their debt-laden clients in the direction of the equity market.

Glaxo glows

In the current bull market people can easily have their judgment blurred by the general euphoria. This is well demonstrated by Glaxo. The pharmaceutical giant has seen its share price rise sharply since hitting a low in 1980 when pre-tax profits slipped to £66m.

By last October when the company reported a 54 per cent jump in profits to £133.6m for the year to June 1982, the price had trebled to more than 27 times earnings.

Forecasts for the current year were then ranging around £180m. The share price continued to steam ahead more than 80 per cent and forecasts nudged up to over £200m full year ahead of the midway figures released on Monday this week. The company turned in a 52 per cent profits jump to £86.3m but the market's immediate reaction was to clip shares down 60p to 810p.

Much of the excitement about Glaxo has centred on its new anti-clear drug Zantac, and what the drug might do to spearhead its attack on the important U.S. market and on SmithKline Beckman's Tagamet, the biggest selling drug ever, which was introduced in 1976.

In the first half of 1982/83 Glaxo's turnover rose £97.5m to £504.4m. Before including the low margin high turnover business of pharmaceutical wholesaling by Vestric, sales were 24 per cent higher. As price increases during the period were small, apart from some £2m attributable to gains on exchange translation, much of the advance represented greater volume.

Half of the volume gain is attributable to Zantac which produced a first time profit contribution between £10m and £15m.

The group has an agreement with Hoffman-La Roche, the Swiss pharmaceuticals concern, to promote Zantac in the U.S. and with some help from weak sterling sales of the drug could reach £100m in the current year, though launch costs in America might curb the effect on the profit line.

It is not uncommon for the fortunes of a drug company to be made by one drug. Thus a single winner can justify very heavy investment in research and development much of which proves fruitless. But Zantac is not Glaxo's only major product. It can also show strong progress through its antibiotic Zinacef and the heart drug Trandate.

Following the initial reaction to the mid-year figures the market has taken a second look at the prospects, which could still put profits around the £200m level, and the shares, in a buoyant market, were yesterday back at a record at well over 900p.

Burmah surprises

Burmah Oil, the oil and industrial concern which nine years ago has to be rescued by the Bank of England, this week turned in pre-tax profits of £81m for 1982. This was almost unchanged on the previous year's level but was well above most expectations.

The oil exploration and production side performed strongly with trading profits up nearly £10m to £48.5m. But the advance was offset by losses of over £23m on its Tabbert caravan interests in Germany.

However, there was a £4.4m increase from the liquid natural gas tanker activities and there was some progress in retail distribution which includes the Halfords motor parts shop chain.

Profits from its small speciality chemicals interests were halved to £2m but the story here might have been different if the group had been successful in its bitterly contested bid for the speciality chemical group Croda International, which lifted its taxable profits almost 50 per cent in 1982.

Instead Burmah has justified some of the criticism fired at it during that bid battle of early 1982. Write-offs on the caravans operation totalling £14m form a major part of the £18.5 extraordinary losses. Though these debits were down on the £47.6m seen in the previous year, with the tax take up from £44.7m to £51.5m and dividend increased 5.9 per cent, there is a £5m transfer from reserves.

After the figures Burmah's shares rose 4p to 168p equivalent to 6.2 times fully taxed earnings.

Sotheby bid

The two American businessmen who bid £61m for Sotheby's, the international fine art auctioneers, last Monday have promised they have no plans to put the company's name on a brand of cigarettes or a range of office furniture.

Precisely what the two men, Mr Stephen Swid and Mr Marshall Cogan, plan to do with the company is not yet clear but whatever it is the Sotheby board and many of the company's experts do not like it. The company, and their financial advisers S. G. Warburg, are looking for a "white knight" to ride up with a rival bid. Sotheby's shares rose 35p in response to the bid to 525p—just 5p above the offer level—but fell back later in the week to the bid price, suggesting the market is not expecting a rival offer.

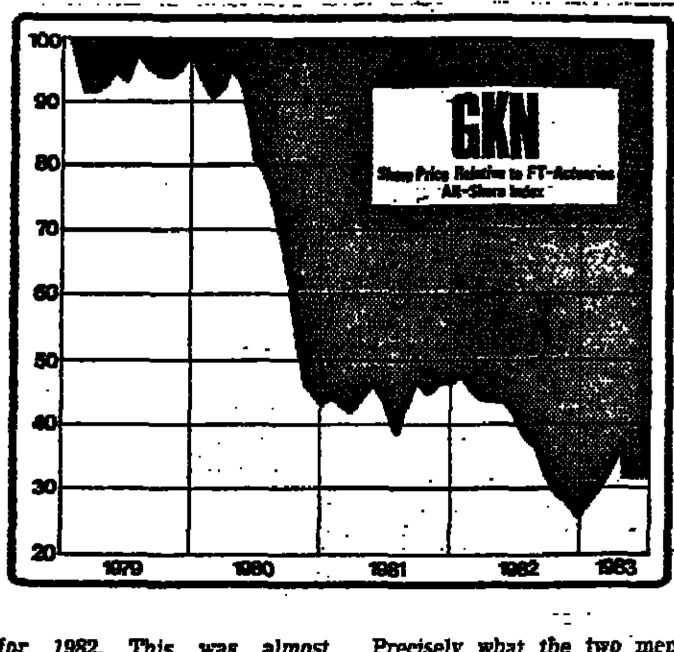
Despite the length of time the bid has been brewing—Mr Swid and Mr Cogan first bought a 14 per cent stake in Sotheby's through General Felt Industries' Knoll International, their privately owned floor covering and furniture companies, last December—the Sotheby's board was clearly shaken.

The Take-over Panel cautioned Mr Graham Llewellyn, the chief executive, against his "emotional" response to the offer. Sotheby's has made it clear it sees no advantage in a link with a manufacturing group. Auctioneering, it argues, is a personal business which is very dependent on the specialised skills of its various experts.

More than 130 of the company's experts have threatened to resign if the deal goes through. The Americans have offered a profit-sharing scheme in a traditionally lowly-paid business but since many of the expert staff are not in it for the money anyway this may have little impact.

After a poor year to August 1982, when Sotheby's made a loss of £3.06m, business is now beginning to recover. Interest rates are down and investors are rediscovering the attractions of art objects.

Sotheby's has cut back hard after the over-optimistic expansion of the late 1970s under its reshuffled management team.



MARKET HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1982/83 High	1982/83 Low	
F.T. Ind. Ord. index	695.5	+20.5	695.5	598.4	Strengthening economic hopes
F.T. Gold Mines Index	651.8	+53.1	734.7	531.5	Firm bullion/stock shortage
Arlen Elec.	297	+29	380	119	Hanover Trade Fair hopes
Benn Brothers	155	+28	159	96	Bid from Utd. Newspapers
Bensons Crisps	103	+35†	103	100	USM debut
Brown Boveri Kent	70	+13	71	41	Impressive results
Dunlop	60	+9	60	43	Pegi Malaysia increases stake
Gt. Northern	£55	+14	£55	£24	Investment demand
GKN	156	−19	179	115	£80.1m rights issue
Lec Refrigeration	198	−34	278	198	Disappointing results
London and Liverpool	370	−48	700	330	Video/football deal doubts
Mettoy	43	+15	50	9	Investment seminar
Minster Assets	89½	+10½	90	77	Pres comment
Miss World Group	141	+81*	143	128	USM debut/Hawley buy 14.99%
Morgan Crucible	116	+14	110	76	Results
RHM	64	+8½	64½	51½	Bid hopes
Rank Org.	163	+17	164	104	Revived bid speculation
RTZ	608	+75	612	455	Better-than-expected results
Tilling (T.)	192	+29	380	119	Bid from BTR

† Based on placing price of 68p. * Based on placing price of 60p.

Sparkling Volcker

NEW YORK

PAUL TAYLOR

THE SPARKLE returned to the New York Stock Exchange last week amid renewed investor confidence about the immediate direction of short term interest rates.

Underpinning the return of the institutional and retail buyers to the market was a growing feeling that the recent upward pressure on short term rates has eased. This was reflected in trading following Mr Paul Volcker's much anticipated Congressional testimony on Tuesday.

The Fed chairman, who had stolen his own thunder by leaking his views to the press ahead of the event, said nothing much that was new. But his basic message was clear. The inflation rate should continue its downwards track, monetary pressures should ease and there is room for a reduction in short term interest rates.

The credit markets took their cue from the Fed chairman's words as short term rates, including the Fed funds rate, edged downwards and the equity market followed setting new records.

On Wednesday trading volume, which has been looking pretty dull for some time, jumped to over 100m for the first time in six weeks.

The market is, however, also being driven by a number of other positive factors including some bullish signals from the car industry and some reasonable first quarter results including those from the banking sector.

Early in the week General Motors, the world's biggest car maker, said that it was recalling 16,000 indefinitely laid-off car workers in the near future as a result of increases in its production schedules.

The announcement coincided with initial April car sales figures. While these were only for the first 10 days of the month and were being compared with a particularly weak period last year, they showed a strong surge after a sluggish period earlier in the year.

The market also got a late boost from IBM's first quarter results which showed a 44.5 per cent surge in sales and a 23.6 per cent increase in net income to $976m or $1.62 a share compared with $789m or $1.33 a share in the 1982 quarter.

IBM's results were broadly in line with market expectations although some analysts suggested they might have been better. Nevertheless after dipping slightly after the announcement IBM closed $1 higher on the day at $109.75 a share.

The bank resuls, among the first out in the quarterly season, were also pretty healthy been created by the adoption of new accounting procedures.

In spite of the expected increase in non-performing loans, soaring loan loss provisions and higher loan write-offs most of the major money centre banks have been reporting sharply higher net income.

J. P. Morgan leads the list so ar with a 37 per cent increase in net income. Among the others, chemical was up 15.7 per cent.

Bolstering the bank's earnings are strong gains in net interest income reflecting higher earning assets and wider spreads, an exchange activities together with a rise in fees for other services. The first quarterly figures from industrial companies are in the main less impressive, although many of the major companies also seem to be reporting a tentative pick up in the economy and holding out the prospect of better things to come.

In the construction sector PPG Industries reported a 33 per cent increase in net earnings to $32m or 92 cents a share from $24.1m or 71 cents a share and highlighted a general strengthening in the economy and particular improvements in the car and housing markets.

Among the heavy industrials General Electric reported a 13 per cent increase in first quarter earnings while Westinghouse Electric earnings fell by $24.1m to $100.3m.

Even Caterpillar Tractor, which announced huge losses of $172m or $1.94 a share and has still not settled a seven-month strike by most of its U.S. workers, found cause for hope. The company said it expects to return to profitability later this year and announced a dividend of 37½ cents a share, the same rate as in the preceding quarter but down from the 67½ cents paid in each of the first three 1982 quarters.

Stock market interest is likely to focus again next week on the next batch of quarterlies and the path of short term interest rates.

MONDAY	1141.83	+17.12
TUESDAY	1145.32	+3.49
WEDNESDAY	1156.64	+11.32
THURSDAY	1165.25	+8.61

No casting of clouts

MINING

KENNETH MARSTON

SPRINGTIME is a fickle creature: one minute raising hearts and lighting daffodils and the next minute dousing the impetuous blooms with cold hail and sending those of us unwise enough to cast the odd clout scurrying for cover. But the message of hope is there all the same.

So it is with the mining world at the moment. Many metal prices have begun to pick up after their long recession but a genuine revival of demand for the industry's products has yet to gather strength and most observers are still taking a very cautious view of things. Perhaps it is just as well.

Mr Alfred Powis, for example, who is chairman of Canada's major natural resources group, Noranda, looks for a "substantial" improvement in this year's results, particularly in the second half. But he says that his company's plans are based on conservative forecasts that only a sluggish recovery will begin this year led by a revival in the North American housing and automobile markets.

These are key areas of copper demand, points out Mr G. A. Macmillan, chairman of the Rio Tinto-Zinc group's highly efficient Palabora copper operation in South Africa who anticipates a "reasonably satisfactory" year.

"The outlook is encouraging," admits Sir Roderick Carnegie, chairman of RTZ's big Australian arm, CRA, which, some observers feel, is preparing to make a rights issue in the fairly near future.

All these spokesmen might feel that RTZ itself is not being over-cautious with the view that "it is likely to be towards the end of 1983, or even into 1984, before the full benefits of any economic revival are realised in terms of the group's operating results."

RTZ has something to sing about with results for 1982 issued this week which have far surpassed even the most hopeful expectations and sent the shares leaping to new highs. After showing a fall of 38.5 per cent at half-time, earnings have rapidly made up all the lost ground in the second half to bring the year's total to £103.5m, slightly ahead of the £102.3m earned in 1981.

Admittedly, favourable exchange rate movement had a good deal to do with it and there was the contribution to be taken into account of Thomas Ward and Tunnel Holdings, which were acquired at the beginning of last year. But good recoveries were staged by CRA and the U.S. Borax in the second half, while the Rossing uranium mine did well.

By any standards this is a very creditable result after one of the worst years on record for the mining industry. RTZ shareholders noting, with some relief, the maintained dividend might well wonder just what the group will be capable of in a good year if it can survive a bad one this well.

They should not allow themselves to get too carried away by hopes for 1983. Although pretty well all sectors of the group are faring no worse than last year—and some are doing much better — the important exchange rate gains cannot be counted on and, indeed, could work the other way if sterling strengthens far enough to reduce the value of overseas earnings brought home.

Providing, as ever, that the world economy goes the right way, it will be from 1984 onwards that RTZ will really show its paces. Holders of the shares who regard them—justifiably—as a high-calibre long-term investment may thus see no reason to part with them at this stage, despite the advance in the price.

This, of course, also applies to a favourite of this column, the 9½ per cent convertible loan stock. In June of any year from 1984 to 1995 inclusive this stock can be exchanged for ordinary shares on the basis of 20 shares for each £100 nominal of stock. In the meantime it gives a virtually risk-free return worth 8 per cent at the current price of £130 per £100 stock.

Apart from a hiccough on Wednesday, South African gold shares have been a good market this week. One theory for this is that previously the institutional and other investors in Johannesburg had been keeping their powder dry in the hope that the country's budget would ease the restrictions on investing money outside South Africa.

This hope was not realised, of course, and for the past two weeks the Cape investors have been again investing in golds and other domestic issues. Another factor has been the firmness of the bullion price which, some say, is consolidating before a further rise. Well, we shall see.

At all events the sharemarket was unruffled by the first batch of gold mine net profits for the March quarter from the producers in the Consolidated Gold Fields group. They were lower than in the previous three months despite the fact that the average gold price received was 4 per cent higher at R16,214 per kilogramme ($460 per ounce).

Working costs were well contained and the answer to the fall in net profits was that tax and lease payments rose as a result of a reduction in the tax-offsetting capital expenditure during the period. In the case of Deelkraal, however, there was a disturbing drop in production as a result of an unexplained fall in the previously improving ore grade.

● Carr Boyd Minerals has reported more good gold values from its Harbour Lights prospect in Western Australia's Eastern Goldfields together with the identification of two new prospects. Now shaping up as a potential open-pit mine, Harbour Lights should be disclosing its proven and probable ore reserves in the September quarter.

U.K. CONVERTIBLE STOCK 16/4/83

Statistics provided by DATASTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates&	Flat yield	Red yield	Premium† Current	Premium† Range‡	Income Equ§	Income Conv¶	Income Div♡	Cheap (+) Dear (−)◊ Current
British Land 12pc Cv 2002	9.60	305.50	333.3	80-97	3.9	0.7	3.6	−4 to 8	30.0	81.5	17.5	+13.9
Hanson Trust 9½pc Cv 01-06	81.54	201.00	107.1	85-01	4.9	2.8	−3.3	−4 to 7	116.8	72.6	−21.3	−18.0
Slough Estates 10pc Cv 87-90	5.03	248.50	234.4	78-84	4.1		−2.7	−13 to −0	18.0	9.5	−3.3	−0.6
Slough Estates 8pc Cv 91-94	24.72	115.50	97.5	80-89	7.1	5.9	8.7	4 to 12	29.3	35.0	5.3	−3.4

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. & Second date is assumed date of conversion. This is not necessarily the last date of conversion.

Proceeding for possession

BY OUR LEGAL STAFF

Your reply under the heading Proceedings for possesion on March 5 prompted me to ask you if you can help me following receipt of a notice to quit. I live in a flat in a converted house and in 1981 dry rot was discovered in the ground floor flat. The builder engaged by the tenant of this flat will not give him a guarantee unless he can more or less take my bathroom (of which the skirting board was renewed in 1976) to bits. My landlord wants me to give him such permission. This I find very inconvenient. What please does the landlord's right of access mean? What is the position with regard to alternative accommodation for myself and/or furniture? Do I have any claim for damages under the Defective Premises Act, for a defect which must have been covered up in 1976?

The notice to quit only terminates your contractual tenancy: you will remain a protected tenant entitled to the security of tenure afforded by the Rent Act 1977. By Section 148 of that Act there is an implied term in your tenancy that you should afford the landlord (not other tenants) access and all reasonable facilities for executing any repairs in your flat which the landlord is entitled to execute. If the terms of your (former) contractual tenancy entitled the landlord to do the repairs to your bathroom which are sought to be done, he can insist on access. But if he has no such entitledment, there will be no right of access merely because the landlord wishes to carry out the repairs.

While no statutory provision for alternative accommodation or for storage of furniture is made, you may be able to procure either, or both, as a condition of your giving access; i.e. on the footing that "reasonable" access in this case requires the temporary rehousing of you and your furniture. This will depend on the full factual circumstances.

A recent decision in the House of Lords makes a claim for defective work done more than six years ago extremely difficult to pursue; but it is by no means clear that there was defective work merely because dry rot has now been discovered.

Eviction of a licensee

I refer to the answer under the title "Proceedings for possession" on March 5. As I understand the law, if the lodger shares essential services with the landlord, and if the landlord provides a substantial board element, then the lodger is a licensee rather than a tenant, and has no protection under the Rent Act 1977. It would be unnecessary for the landlord to take legal action to evict his lodger, for the lodger is obliged to leave when requested to do so. Can I please have your comments?

We agree with your assessment of a lodger's position. Nevertheless, a lodger who is only a licensee may refuse to leave when when his licence is terminated, and in that event it is necessary to recover possession by proceedings in court, using Order 26 in the County Court or Order 113 in the High Court. Eviction by other means may make the licensor liable to criminal sanctions.

Non-residents' bank interest

I refer to your reply under non-resident bank interest (March 12). I believe I am exactly in the same situation, as is expressed in the reply. I am being taxed on deposit interest earned from banks, as the Agent to my brothers who are non-resident. The deposits were in two joint names: myself and one of my non-resident brothers. These deposits ran for a period of some six or seven years from Tax Year 1974-75. We have no deposits now. Of my three brothers, one is a Kenya resident and the other two in Canada, being Canadian citizens. I have been assessed under Section 78 together with Section 72, Taxes Management Act 1970. Section 114 ICTA 1970 has been applied also. I am being treated under schedule D. Could I have your advice on an appeal to the Special Commissioners?

On the facts outlined, your brothers in Canada should be entitled to have the UK tax on their respective shares of the interest reduced to 15 per cent, for 1977-78 onwards, by virtue of article 11 of the Canada-UK double taxation convention of September 8 1978.

Your brother in Kenya will similarly be entitled to a reduction to 15 per cent for 1977-78 onwards, by virtue of article 12 of the Kenya-UK double taxation agreement of July 31 1973, if he is subject to tax in Kenya on the interest (which is not clear from your letter).

Ten-year rule and CTT

In Finance and the Family I am puzzled by a reply on March 14, headed "CTT rates on father's estate." In 1981 I gave half my house to my adult daughter. (1) Am I right in assuming that if I survive 10 years from the date of housegift it will be free of CTT? (2) Is there any tapering off of duty if I die — say nine years after the gift?

The answers are (1) yes and (2) no. You will find general guidance in the January 1983 edition of booklet CTT1, which is obtainable from the Capital Taxes Office, Minford House, Rockley Rd, London W14 0DF.

American wife's tax in UK

An American friend of U.S. domicile is returning for a few years to the UK with her UK domiciled husband. Her income is derived from a trust fund set up in the U.S. by her grandfather. I understand she will be liable to UK tax, while resident in UK, on money remitted from this trust. In view of this: (1) Are all remittances prior to her arrival in UK not liable to UK tax or only those made in the tax year preceding her arrival? (2) If she maintains separate bank accounts in the U.S. for capital and income trust distributions, will only remittances from the income bank account be liable to UK taxation? (3) Certain of the trust investments are in U.S. exempt bonds on which no U.S. tax is payable. Will UK tax still be due in full?

You will find general guidance in booklet IR20 (Residents and non-residents: liability to tax in the UK) which is obtainable from most tax inspectors' offices; at the same time, you could ask for a booklet IR1 (Extrastatutory concessions), and look in particular at concessions A11 and D2.

Your friend's husband should make sure that the UK tax returns he fills in are of type 11K, which are designed for (among other people) men married to women domiciled outside the UK. If the wrong type of return form is sent to him (which is quite likely to happen), he should send it back and ask for an 11K. It is not strictly correct to speak of a U.S. or a UK domicile, of course: each state of the U.S. is a separate territory for domicile purposes, as is each of the three countries comprised in the UK.

Briefly, the answers to your questions are:

(i) The assessment for the year of arrival may be based on the remittances of the preceding tax year, or of the year of arrival itself; this depends upon (a) where she is resident at present (because the double taxation agreement, if there is one, with that country may entitle her to relief) and (b) whether remittances were made before the year preceding the year of arrival, and (c) possibly other factors.

(ii) Yes, in principle. Withdrawals from both accounts will, of course, give rise to chargeable gains or allowable losses for CGT purposes, irrespective of whether the sums withdrawn are remitted to the UK.

(iii) Yes. The fact that income is not taxable under U.S. law does not affect its taxability under UK law.

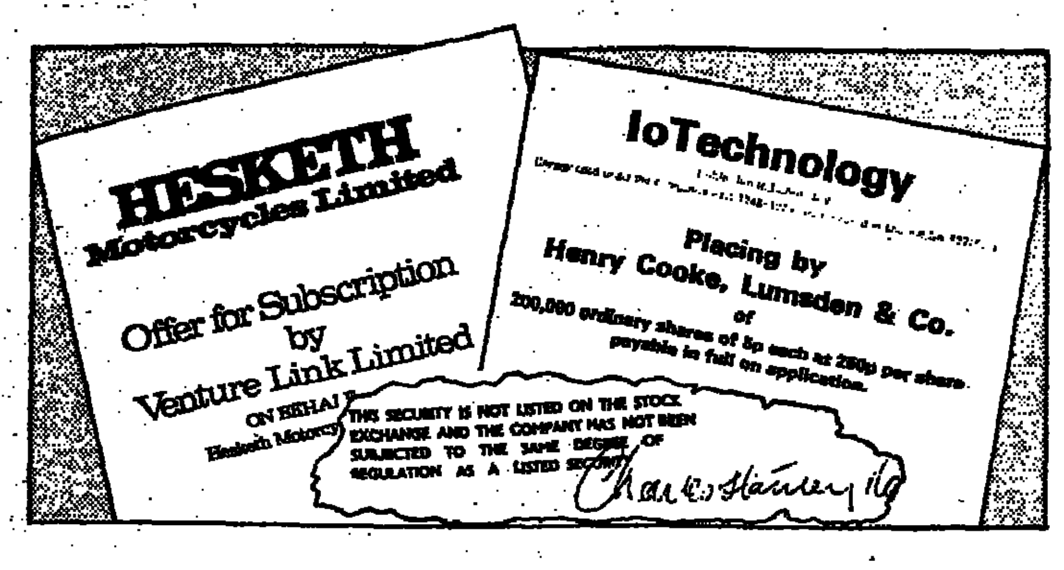
Gift of shares to children

You explained in your reply under B & B and gifts to daughter (March 5) how donor and donee can "jointly elect for roll-over relief." I am considering a gift of shares to my two children, who are under five. Can I elect on their behalf? Also, if the gift involves shares in a private company and the gains could thus be rolled-over, would it be necessary to establish the value of the shares in April 1965 and on the date of transfer?

The answer to both questions is yes, in principle, but we recommend you to seek professional guidance through the legal pitfalls. This is a field in which do-it-yourself tax avoidance is beset with particular dangers for the unskilled.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

The sudden death of IoTechnology



IN THE "businesses for sale" column of Tuesday's Financial Times, an advertisement appeared on behalf of the receivers of IoTechnology, a microprocessor manufacturer. Barely a year ago the company was launched on the Unlisted Securities Market by Manchester brokers Henry Cooke, Lumsden.

But on April 7, the 5p shares were suspended at 230p each, just 20p below the placing price. The next day it was announced that IoTechnology was in receivership with liabilities of £800,000.

The announcement came out of the blue, especially since there had been no hint from either the company or its brokers that the company was experiencing any difficulties.

A month ago, Birmingham-based brokers Smith Keen Cutler issued an analysis of USM computer companies, and its comments on Io were anything but favourable. Last week John Paterson who write that circular pointed out: "it was late into production, and it came out with an 8-bit microprocessor when 16-bit had become the craze. It was the wrong machine at the wrong time. However, judging by the share price, clearly investors didn't know what was happening."

Brian Winterflood, managing director of leading USM jobbers Bisgood, Bishop says: "There was never any market in the shares. In one year we just did 3 deals totalling about 1200 shares. Virtually all the business was put-throughs. When it came to the market it was largely left with the brokers. Io started out on the wrong foot and never got on to the right one."

Mr Michael Brown, a partner of Manchester based brokers Henry Cooke Lumsden insists that the corporate finance side of his firm knew very well that Io was experiencing severe difficulties. "But it would have been very wrong of us to give that previleged information to our own private clients," he says.

Quite right too, but it does seem that aside from the directors of Io, virtually all the shareholders were clients of Henry Cooke.

Henry Cooke Lumsden says that apart from the directors, who held about 30 per cent of the ordinary share capital, there were about 150 shareholders in Io. The company was capitalised at about £920,000 at suspension, so the average loss per shareholder, aside from the board was £4,300. The firm admits "the bulk were clients of ours. It was placed as a lock-up, not as a trading situation."

IoTechnology was a slightly unusual animal in that it was a new venture, and Michael Brown insists "we made absolutely clear in the prospectus that there were risks. We said in bold black type any investment in this company must be regarded as speculative."

In fact the previous USM company to end up in the hands of the receivers was also a new venture company: Hesketh Motorcycles. In that case, however, it was largely institutional rather than private client money that evaporated.

The question among the cognoscenti of the USM at the moment is whether the Stock Exchange is doing enough to monitor the quality of companies coming to the USM.

It has been alleged that the Stock Exchange is clamping down on the USM, and in particular on the new venture applicants to the market. The case of the effluent treatment company Bio-mechanics, planned arrival on the USM was scuppered by the quotations department of the Stock Exchange, is sometimes mentioned. However, the issue was baulked not because of doubts about the company, but because the brokers, Northcote, were behind schedule in producing the necessary documentation.

Indeed, the Stock Exchange, which is undisguisedly delighted with the USM, frequently describes it as "a high risk market."

Far from trying to damp down the enthusiasm of would-be USM new venture companies, the Stock Exchange's fear is that the supply will dry up. The extension of the Business Start-Up scheme (now the Business Expansion Scheme) makes it much more attractive for a new business to remain private.

Under the scheme, any initial share purchase in an unquoted company is subject to tax relief up to the purchaser's top marginal rate of taxation, although to be eligible, the shares must be held for five years.

For example, had IoTechnology been a private company and qualified under the scheme, those top rate investors who were left with book losses of 230p per share, would effectively be paid back 187.5p by HMG (75 per cent of the placing price).

In fact, since the Budget it is believed that two new venture companies, which had planned to come to the USM, are now considering whether to pull out, and instead take advantage of the tax concessions. The Stock Exchange, which created the USM partly to keep as much of the risk capital raising market as possible within its own maw, is concerned. It is likely to lobby vigorously against what it sees as fiscal discrimination against its own market, once the finance committee of the House of Commons starts to discuss the Bill.

Every USM share certificate carries a health warning, but unlike that on packets of cigarettes, it is printed in bold red. It says "This security is not listed on the Stock Exchange and the company has not been subjected to the same degree of regulation as a listed security."

Christopher Poll, chairman of a conference taking place next week called "The USM in perspective" criticises the "ostrich approach of the Stock Exchange." He claims the USM is not monitored adequately by the SE, and that it should introduce a rule whereby if a USM company's assets fall below a certain level, the shares should be suspended. "The U.S. venture capital market shows that the situation can be closely monitored without harming competitiveness."

The Stock Exchange's attitude is resolutely that of "caveat emptor," although John Dodwell of the Quotations Department points out: "Just because we don't publicise it when we reject a company, people seem to think we are uncritical."

The Stock Exchange is sensitive, however, to suggestions that new issues in the USM are not always as fair as they might be. The typical company arriving on the USM does so via a placing of shares, which in practice means that the large majority of the public float goes to favoured clients of the issuing house.

Britannia, the fund management group, realising this, recently advertised its USM funds with the words "New companies are joining the USM weekly—often at high premiums to their issue price but only favoured clients receive these special placings. Britannia as a leading institution negotiates and obtains these favoured placings to the benefit of holders of the (fund)."

Under pressure from the Stock Exchange, the paragraph was excised from subsequent Britannia USM ads, but the worry is not that the sales pitch was exaggerated, but that it was embarrassingly close to the truth.

A further sign of the Stock Exchange's concern at the incestuous nature of USM placings was that on March 16 the SE felt obliged to send a private letter to all member firms active in USM placings warning that "other than in exceptional circumstances stock placed by your firm must on no account be placed with members of your firm and their families."

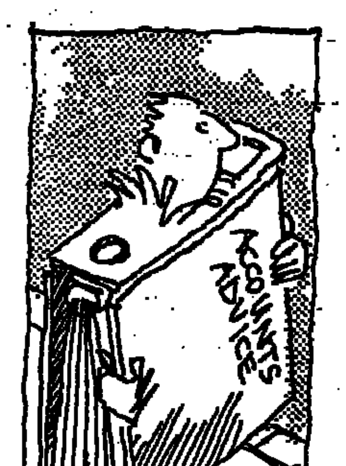
Such is the enthusiasm generated by USM new issues that shares often double their placing price on the first day of dealings, and this, judging from the SE's letter, was providing a temptation for some member firms.

The demise of IoTechnology paradoxically proved the extraordinary virility of the USM. For on the day that the receivership was unexpectedly announced, the share prices of the other USM computer stocks did not even waver.

The USM remains the froth on the bull market. David Cohen of Simon and Coates has shepherded a number of high-tech companies on to the USM, but he admits: 'Despite the razamatazz and the mystique of the USM, people have got to come down to earth and begin to assess the fundamentals. A lot of USM companies have ratings that they could only justify if they were to rob Security Express."

Dominic Lawson

Do accountants know best?



WHEN CONSIDERING major changes in investments it is a good idea to consult a chartered accountant as well as a stockbroker or other investment adviser.

This is the message in a booklet just published by the country's largest professional accountancy body. The 16-page publication represents the first weapon in a serious campaign by chartered accountants to check the growing competition in the accountancy and financial services market arising from other sources, particularly the banks.

The next step by the Institute of Chartered Accountants in England and Wales will be a pilot advertising campaign in one district. With the budget for this only £10,000 it cannot be described as a blitz but if successful the institute hopes the idea will be repeated elsewhere by district societies.

In recent years the restrictions on accountants advertising their own firms' services have been eased and may eventually be lifted altogether. The institute in the meantime has become aware of the need to meet what many regard as much stronger competition from the banks. It is, therefore, adopting a role of a marketing board in seeking to make the public more aware of its members' services.

There have been booklets from the institute before, but there is a more aggressive tone in the latest offering which is being distributed to organisations dealing with smaller businesses, Citizens Advice Bureaux, libraries, and Government departments as well as practising firms.

Within its pages the booklet briefly highlights the need for expert advice to private individuals and small or medium-sized businesses.

To punch the message home it closes by saying: "If you are faced with the sort of problems described in this booklet no-one is better qualified to help you than a chartered accountant."

The booklet is free: the advice is not. The booklet emphasises: "To rely on free advice from friends or acquaintances, who have perhaps only partial knowledge of the facts, could prove expensive in the end. On the other hand, the cost of a chartered accountant's professional guidance will usually be outweighed by the benefits of peace of mind, increased efficiency, tax advantages or higher profits."

Christopher Cameron-Jones

Eric Short looks at mortgages

Hambro follows the pioneers

HAMBRO LIFE ASSURANCE has been one long success story for its founder Mark Weinberg ever since it first appeared 12 years ago. But until now he has concentrated on life savings and the personal and executive pensions markets with growth rates the envy of the traditional life companies. This week, he announced his assault on the final major bastion of the traditional life business—the mortgage repayment market.

Traditional life companies have been enjoying unprecedented sales of low-cost mortgage repayment contracts with the changeover to the system of paying mortgage interest net, known as MIRAS. The advent of Hambro Life, as part of its expansion plans into providing a complete range of financial services, coincides with this boom.

Hambro Life is not the first linked company into the mortgage repayment field. Abbey Life, the other major linked-life company, launched its Mortgage Master over a year ago and Property Growth Assurance, a member of the Phoenix Assurance Group, issued its Homeownership plan six months ago.

But "pioneers get scalped by Indians" is a phrase that Mark Weinberg is fond of quoting. Hambro Life's low cost Adaptable Mortgage Plan has many advantages over the products offered by these other companies, whether in simplicity or in design.

Until now, the major problem facing linked life companies over the issue of mortgage repayment contracts has concerned the guarantees required by building societies. Quite simply the societies like a guarantee that the mortgage will be repaid at the end of the mortgage term or on previous death.

Abbey's Mortgage Master endeavoured to provide some stability in the unit price over the final years of the contract by switching to a moving average basis, but it produced a plan that was difficult to explain and could well cause confusion when averaging comes into operation. Investment is in the property fund only.

PGA's plan is linked to a special fund investing in building societies' investment accounts and operates on a similar basis to the Windsor Life plan described in these pages a few weeks ago. There is no guarantee on its plan, but the premiums vary so that the accumulated fund targets in to the mortgage.

Hambro Life's plan is a unit-linked endowment assurance. The nominal term is the term of the mortgage. Investment can be made into one of four funds—property, managed, gilt-edged and fixed-interest deposit. Hambro guarantees the repayment of the mortgage at maturity or previous death—traditional with-profit low cost endowments do not guarantee the maturity value will meet the mortgage.

But Hambro can offer these guarantees only because it applies its "adaptable" concept to this plan. The original premium is calculated assuming the unit price grows at 7½ per cent each year. After 10 years, the position is reviewed. If growth has failed to reach this target, the premium is recalculated. A growth of only 5 per cent would mean a premium rise of around 16½ per cent.

But since inception, Hambro *Life's Property Fund* has shown an average growth rate of 9.7 per cent per annum and the managed fund 12.2 per cent per annum.

After 10 years, the premiums will be reviewed more often according to investment conditions. So the premiums are targeted to meet the mortgage at the end of the term.

If the investment performance of the units exceeds 7½ per cent the borrower will have a useful sum left over at the end of the period.

Hambro Life's entry into the mortgage field is likely to trigger most of the other linked companies. Transinternational Insurance launches its plan next week, but its design is on the PGA style. This will give borrowers a wider choice of life contract to repay the mortgage—so how does the Low Cost Adaptable Mortgage Plan compare with the others.

Consider a man aged 29 taking out a £20,000 mortgage over 25 years. The gross monthly premium on the Hambro Plan is £27.92. This compares with £25.85 from London Life—the cheapest premium in the market, and £28.10 from Friends Provident. On premium alone, the plan comes in the top companies. Abbey Life charges £30.62 on a 7 per cent growth assumption and here lies a danger.

Another linked life company may be able to persuade some building societies to accept an 8 per cent growth and this will make the premiums very competitive. So one ought to judge performance on overall return.

To match the best offered by the traditional life companies, Hambro Life estimates that the unit price has to grow by around 11½ per cent—a rate that the managed fund, but not the property fund, has achieved to date.

The company is seeking acceptance by the building societies that its plan is suitable for repaying a mortgage. It will be marketed by its usual outlets on normal underwriting procedures. At this stage it is not giving agencies to building societies themselves.

The Alliance and the Leicester have accepted it and Mark Weinberg hopes that other societies will shortly follow. Abbey's plan has been accepted by over 30 societies.

On the bandwagon

ARBUTHNOT Securities has decided to jump on the penny share bandwagon with the launch of a unit trust specialising in low priced shares. Arbuthnot says the aim of the fund is "to achieve spectacular growth of capital."

Of course, with the prospect of above average growth comes the inevitability of higher than normal risks. Arbuthnot accepts that "the risks are undeniable" and it is "more than usually speculative" but says this is the reason why it has lowered the minimum investment from the standard £500 figure for other trusts to £200. The managers hope to attract initially £2m.

The fees on the trust are slightly higher than average with a 5¼ per cent service charge and 1½ per cent annual fee. Arbuthnot argue this is necessary as the fund will be extremely actively managed.

So what shares is Arbuthnot planning to buy? Basically those valued at 50p or the equivalent in foreign currency. A handful of penny shares have already been acquired in readiness for the fund's launch. These include Mitchell Cotts, Barker and Dobson, New Court Natural Resources, Norfolk Capital and Guinness Peat. Up to 25 per cent of the fund can be invested in the USM but Arbuthnot says it is likely to be less than this amount in practice.

Like all specialist funds this one should be treated with a dash of caution. Many punters in small shares enjoy the thrill of trying to find the next high flier, and may feel that in an area where luck plays a big role, so-called "expert" advice may not count for very much.

Rosemary Burr

Pensions setback

TWO MONTHS ago, the of Westminster Assurance launched its highly tax efficient self-employed pensions scheme — the Guaranteed Pension Bond, which incorporated an interest-free loan facility that was virtually automatic the Cash Restorer.

Under this scheme, which was described fully in these columns, the self-employed could provide a pension and boost their net income if they were higher rate taxpayers.

The pension provided by the *plan was low* compared with that under a normal self-employed pension plan and the attraction was the tax avoidance possibilities. And many self-employed confirmed what we have always thought in that they are more interested in increasing their net income than in providing a pension. Westminster Assurance took £7m in less than two months.

But the Superannuation Funds Office of the Inland Revenue has taken the ruthless step of not allowing tax relief on the premiums. Its decision is retrospective.

Westminster Assurance is protesting bitterly. But it is repaying the money to policy*holders with interest* at [illegible] per cent per annum.

E.S.

A stake in the future

THE FIRST British unit trust linked to London's six-month-old financial futures market has been launched in Jersey by the Cater Allen Group.

The Invicta Gilt Edged and Financial Futures Fund expects to start its life with more than £1m of funds invested. The minimum stake is five £1,000 units.

Invicta plans to spread its investments equally over the gilt market and the London International Financial Futures Exchange (LIFFE). It will restrict its financial futures activities to the short sterling interest rate and long gilt contracts.

Invicta believes that financial futures will allow it to achieve more consistent rates of growth by profiting from fluctuations in interest rates than would be possible by investing in traditional fixed interest stocks alone.

The Jersey authorities have insisted however that investors are warned of the speculative nature of investing in financial futures and the degree of capital risk.

Invicta will avoid currency risks by investing only in the sterling and gilt contracts while the total nominal amount of financial futures contracts traded will be limited to 2½ times the overall assets of the fund.

How does Invicta envisage combining gilts and financial futures in one fund? Mr Mike Lawrence, managing director of Invicta Investment Management, expects to hedge his physical gilt positions in futures market, to take a straightforward position in the financial futures or the gilt markets on their own merits and by taking matching buy-sell positions in the futures market to neutralise uncertainties.

If Invicta feels the gilt market looks strong it can multiply its returns by backing up long positions in the physical market by a similar strategy in financial futures.

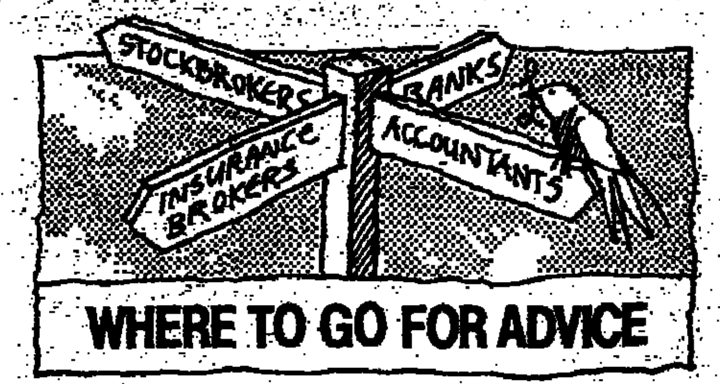
If the gilt market is weak it would pull out of physical gilts and still hope to ensure earnings from its futures position.

Cater Allen, formed in late 1981 by a merger of two long-established discount houses, Cater Ryder and Allen Harvey, may know the gilt market but how much experience does it have of financial futures?

It has its own futures operation in London but Invicta has been acquiring its own expertise and will use Cater Allen Futures at arms length like any other financial futures broker.

Invicta has carried out a seven-month trial of the LIFFE market, putting up £12,500 margin money with three member brokers.

Charles Batchelor



You and your money: a new series by Rosemary Burr

Look closely at your banks

ONE OF the most frequent questions I am asked is, where to go for advice. Like most simple questions this one is very difficult to answer.

What probably can be said is that no single source will be right for everyone and, indeed, it may be necessary to talk to more than one specialist.

Anyone can set up as a financial adviser in this country so it is worth checking in advance the qualifications of the person who is offering help. Investment expertise is not an exact science and there is no one right way of investing your funds.

The most important thing is to develop a strong relationship of trust with your adviser but not to have too high expectations. No adviser has the secret to instant riches.

While most people are prepared to pay for advice on, say, their health, there is a marked reticence to dig—however shallowly—into their pockets when it comes to arranging their financial affairs. Unfortunately this all too often means that people go to consultants who they think are giving free advice. In fact, however, most consultants earn commission fees through the business generated by their clients. The important questions to ask are how these fees are paid and at what level.

During the next four weeks I shall be looking at the various *professionals* who are battling for investors' confidence. Although it is possible to make general remarks about different categories of adviser, this is an area where individuals count even more than the institution they work for. Even within a single organisation the standard of advice can vary considerably from person to person.

This week I will start the ball rolling by taking a look at the clearing banks. Faced with growing competition from the building societies the banks have been slowly stepping up their effort to offer a *comprehensive* range of services for savers.

For many people the bank manager is an automatic choice as an adviser. He is viewed as impartial—if slightly standoffish—by the majority of customers. However, few bank managers these days have the time or inclination to keep pace with the latest tax planning or savings schemes. The bank manager tends to act as a conduit channelling customers into the arms of specialists—who usually happen to be based at the bank's trust company.

A brief glance at the services offered indicates that people with under £20,000 to invest will find it virtually impossible to get a personally tailored service. Instead they will find *themselves* pressed into unit trusts, sometimes in-house funds.

This highlights a major problem in the investment management business—it is usually the people who need help most, and who have the fewest number of contacts with professionals, who have the most difficulty in obtaining advice.

● Barclays

Whether you have a few hundred pounds or half a million Barclays says it is willing and able to help. If you have more than £50,000 and are looking for someone to manage your portfolio then Barclays' Trust Company offers a personal investment management account. The company *will manage your portfolio* for an annual fee of 75p per £100.

Those with less than £50,000 are not given the chance of having a portfolio run individually but they can opt for Barclays' investment service, a portfolio of gilts and Barclays unit trusts put together for a flat fee of £75.

Alternatively, if you are looking for a one-off consultation, then the Money Doctor (which is, however, no longer actively marketed by Barclays), may be the answer for the well-heeled. This is a service providing complete financial advice—including such items as CTT *planning—for those with assets* of at least £100,000. There are no set fees, but the average cost is around £200.

For those less well endowed, Barclays Unicorn district offices are prepared to construct an individual portfolio consisting of cash, gilts, in-house unit trusts and National Savings. This is done free of direct charge but of course there are initial charges on the units. There is no subsequent monitoring of the investments.

The trust company also provides a range of tax services and products for expatriates, marketed through its Jersey branch. For those living abroad the deposit management service for customers with £20,000 or more is worth considering. The minimum annual fee is £100 or 0.5 per cent of the sum invested. For this the bank will manage and *supervise* the depositor's cash outside the UK.

● National Westminster

Discretionary portfolio management is provided for those with more than £25,000 at the standard rate of 75p per £100. Smaller sums are considered if the customer has promising prospects.

For smaller sums the advice would probably be to go the unit trust route. The bank also offers tax help, ranging from how to fill in your annual return to dealing with more complex issues. It will either handle your tax affairs full-time (for a *typical fee of £100 a year* depending on their complexity) or on a one-off basis for anything from £10 upwards.

● Lloyds

The bank stresses that its bank managers are always available to discuss personal financial affairs. It also say the trust company will give a half hour consultation free of charge to anyone with a particularly thorny problem. At subsequent *meetings* fees would be discussed; these would vary, depending on the type of product sold.

For those with at least £20,000 the bank offers discretionary portfolio management at 75p per £100. Anyone with less will probably be advised to invest in unit trusts.

General tax advice is available and the cost depends on the time taken on the assignment. There is also a comprehensive range of services earmarked for expatriates marketed from Jersey.

● Midland

In line with the other clearers Midland draws the line at £20,000. Above this a full portfolio management service is marketed at 75p per £100. Under this amount a more limited portfolio will be constructed for £50, usually consisting of five unit trusts.

Those in need of counselling can receive a financial "Spring Clean" for £30 per hour. Customers are asked to fill in a lengthy *questionnaire followed* by an in-depth interview.

Tax advice is also available for personal cusomers. Expatriates will find their needs catered for either in Jersey or at 20 Kingsway, London.

A good London mews guide

BY JUNE FIELD

DR. JOHNSON'S first modest London lodgings were at Mr Norris, a staymaker in Exeter Street, just by where he dined "very well for eightpence"; and observed that if one wanted to have "a notion of the magnitude of this city, you must not be satisfied with seeing its great streets and squares, but must survey the innumerable little lanes and courts."

He could well have been referring to London mews, of which Henry Mayhew wrote in *London Labour and London Poor*, 1851, that they constituted a world of their own, tenanted by one class — coachmen and grooms, with their wives and families—men who are devoted to one pursuit, the care of horses and carriages.

Mews are said to be so called from the royal stables in London, where the king's hawks were once "mewed" or confined, the word mew derived from the French *muer* (to moult) from the Latin *mutare* (to shed or cast, to change) as the birds moulted or mewed.

Historical references to mews are thin on the ground, and it has been left to two Americans, Barbara Rosen and Wolfgang Zuckermann to produce *The Mews of London—A Guide to the Hidden Byways of London's Past* (£6.95, Webb and Bower, 9 Colleton Crescent, Exeter, Devon). The delightful publication shows that there are more than 600 mews in London, and traces the origin of the stable blocks along narrow, cobbled lanes set at the back of large houses on busy streets.

As they point out: "The countless backwater and traffic-free oases are refreshing to visitor and inhabitant alike... (and) whether by accident or design, the understatement of these quiet hidden places, containing within them so much that is individual, are expressive of the English character."

Prices in mews can be fairly high, probably disproportionately so, bearing in mind the size of a dwelling, whether it is converted, modernised or still in the rough. In one place I saw, the spiral staircase was so narrow that nothing larger than a chair could be got up them.

And the lack of side and rear windows (the helps were not encouraged to see into the grand gardens of their masters), means that light can be limited, and ventilation sometimes poor. Indiscriminate parking of cars brings noise too, and one W.1. mews appeared to be a convenient dumping ground for estate agents' "Sold" boards.

But the advantages of owning a small house with a garage in central London usually outweigh the drawbacks. The very quaintness and oddity attracts, admitted one appreciative mews dweller. "A bijou residence has a certain fashionable trendiness too, and one has to be prepared to pay a premium.

There is a good selection of places for sale in a useful listing, the *Good Mews Guide*, free from Daniel J. Lachs, residential manager, J. Trevor and Sons, 58, Grosvenor Street, London, W1 (01-629 8181). Prices vary from £69,000 for a 92-year lease of a property in Woodstock Mews, W1, requiring complete modernisation, to a newly-built three-bedroom house in Jays Mews, Kensington, W8, which has a sauna and a whirlpool bath, £160,000 freehold.

In W1, Marylebone (the name taken from the village of St Mary-le-bourne), is a rewarding area for mews property. Mellersh and Harding, 43, St James's Place, SW1, were offering a partly converted period house in Marylebone Mews for £89,500 for a 75-year lease, and Elliott Son and Boyton had one in Devonshire Mews West at £115,000 for a 99-year lease.

There is an attractive development by Gable House Properties within the shell of the old dwellings at Elgin Mews North, within the Conservation Area 100 yards from Maida Vale Underground station next to the Lord Elgin public house, W9.

The 22 three-bedroom, two bathroom freehold homes with a car port, being rebuilt, behind the original renovated archways, now called The Carltons, are in the region of £85,000 including carpets, through Tony Botham, Chestertons, 26, Clifton Road, W9, and Brian Lack, 51, St John's Wood, NW8. Five houses in the first phase of a dozen have been sold.

Gable House Properties' director, Jonathon Gold, told me that the site was bought from the Church Commissioners at the beginning of last year. "After long and complex negotiations with Westminster planners, consent was finally obtained."

The company are particularly proud of their refurbishment of the four listed gatehouses in Venetian Gothic style, which date back to 1862 when the mews was first registered by the Metropolitan Board of Works.

Peter Cranham, who has just broken away from the Pearsons' partnership of 18 country offices to form Pearsons' London, chartered surveyors, at 1a, Grafton Street, W1, has 20, Hesper Mews, off Bramham Gardens, on the boundary of Kensington and Earl's Court, for sale. The price is £130,000 freehold including carpets and curtains.

Mr Cranham, 37, says the new organisation has been set up "to attack the London market with the enthusiasm and personal attention that vendors and purchasers deserve. And during the first week we instructed solicitors in over £1.5m of sales in London."

Jack Cranham, Peter's father, one of the founder partners of Pearsons, who are now concentrating work in the South and West Country, will act as consultant, and the rest of the team is Kevin Casserly, who has brought his company, De Bronheads, leisure-orientated agency, into the firm, and Pamela Grant, who will look after the industrial and commercial side.

With the ever-increasing prices in new and refurbished development in Chelsea, Belgravia and Kensington, unmodernised mews are eagerly sought after in these areas, says Andrew Bishop, of Jackson-Stops and Staff, Milner Street, SW3.

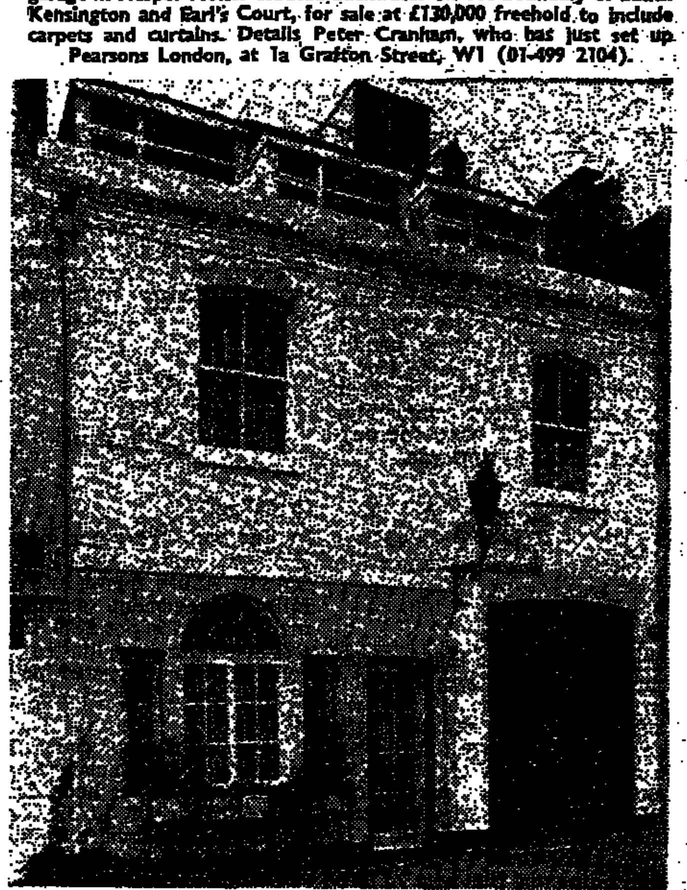
"For sale at £130,000 is 2, Clover Mews, to the west of Tite Street, SW3, which is practically untouched, and offers vast potential for someone who wants to carry out conversion.

"We have detailed plans available for which planning permission has been granted to convert into a three-bedroom, two-bathroom house, and the planners have allowed us to do away with one of the garages and convert it back to a reception area. Once modernisation has taken place, which we estimate will cost around £40,000, the house should then sell for something in the order of £190,000."

The same agent has 39, Clabon Mews, which has one of the original gas lamps outside.

Totally unmodernised property in Clover Mews, London SW3, for which planning permission has been granted for conversion into a three bedroom, two bathroom house and garage. For sale at £130,000 through Andrew Bishop, Jackson-Stops and Staff, 9 Milner Street, SW3 (01-581 5402).

Extensively modernised four bedroom, two bathroom house and garage in Hesper Mews, cobbled backwater on the boundary of South Kensington and Earl's Court, for sale at £130,000 freehold to include carpets and curtains. Details Peter Cranham, who has just set up Pearsons London, at 1a Grafton Street, W1 (01-499 2104).



Mainly modernised three-bedroom cottage in Clabon Mews to the west of Cadogan Square, SW1, for sale in the region of £139,500 for a 33-year lease to include carpets and curtains. Details Andrew Bishop, Jackson-Stops and Staff, 9 Milner Street SW3 (01-581 5402).

BRIDGE

E. P. C. COTTER

ANOTHER book by Victor Mollo, *Winning Bridge* (Methuen £7.95), has just been published, and you will find many hands in it to interest you.

Let us look first at this hand dealt by South with North-South vulnerable:

N
♠ —
♡ Q J 8 6 4
◇ J 7 5 3
♣ Q 7 6 2

W
♠ Q 8 7 4
♡ K 9 3
◇ 9 4
♣ A 9 5 3

E
♠ J 9 6 5 3 2
♡ 10 5 2
◇ Q
♣ J 10 8

S
♠ A K 10
♡ A 7
◇ A K 10 8 6 2
♣ K 4

South opened the bidding with two diamonds, and after North's negative response of two no trumps said three no trumps. North now jumped to five diamonds, and South went on to six diamonds. The opening lead was the four of diamonds.

Winning East's Queen with her Ace, the declarer paused to consider the situation. There were 11 top tricks, and if the heart finesse worked, there was no problem. Suppose the heart King was unfavourably placed—could the slam still be made?

If West held the club King, she saw that she could get home by an avoidance play. Immediately at trick two the declarer played the four of clubs. If West rises with the Ace, he sets up two club tricks for South, which will allow her to discard the losing heart from her hand. West, of course, played low, and the Queen won. Returning to hand with a trump to her King, the declarer cashed the Ace and King of spades, throwing two clubs from the table, ruffed the ten of spades, and exited with dummy's remaining club, forcing West into the lead with the Ace.

West was helpless—a heart return would give declarer a free finesse, while a return in either black suit would yield a ruff discard, permitting South to ruff on the table and discard the losing seven of hearts.

The timing is all-important. In order to preserve communications the declarer cannot afford to play a second round of trumps before leading the four of clubs.

Here is an old friend which you may not at first recognise:

N
♠ J 10 9
♡ 7 6 3
◇ K Q 4
♣ A 10 8 3

W
♠ 8 7
♡ A K Q 4
◇ J 10 5 2
♣ 5 4 2

E
♠ 6 5 4
♡ 8 5 2
◇ 9 3
♣ K Q J 9 6

S
♠ A K Q 3 2
♡ J 10 9
◇ A 8 7 6
♣ 7

South deals at a love score and bids one spade, North replies with two clubs, and South rebids two diamonds. North now gives jump preference with three spades, and South carries on to four. West cashes three top hearts, East following to all three, and switches to the five of clubs. How do you propose to play the hand?

You can, of course, draw the trumps and hope that diamonds break 3-3, but the odds are against that line of play. Alternatively, you can draw just two rounds of trumps and then play on diamonds, hoping that the defender who is short in diamonds has only two trumps — again not a good bet. The correct line to adopt is a dummy reversal, a play which, as I have said on more than one occasion, seems to elude many a declarer.

You win with the club Ace, ruff a club with the Queen of spades, cross to dummy's nine of spades, and ruff another club with the spade King. Cross again to the ten of spades and ruff a third club high. Now you reach the table via the diamond Queen, draw East's last trump, and claim your contract. You started life with five spade tricks, but the dummy reversal increases them to six, three in each hand.

Korchnoi again

CHESS

LEONARD BARDEN

You have to admire Viktor Korchnoi. A few months ago the 51-year-old Soviet exile looked haggard with worry and old beyond his years in the aftermath of his crushing defeat by Anatoly Karpov in the 1981 world title match in Merano. Korchnoi's tournament reverses in 1982 included a run of losses in the Lloyds Bank tournament in London and a sharp drop in his international ranking. Release of his wife and son from the USSR seemed only to add to his personal problems, while at the chess olympics in Lucerne he was brilliantly beaten by the new Russian star, 19-year-old Kasparov.

Korchnoi's extraordinary resilience, perhaps a legacy of his hardships as a child in the wartime siege of Leningrad, has enabled him to bounce back yet again. At the world title quarter-final match in Bad Kissingen, his erratic form made him the outsider against the ambitious Hungarian Portisch; but rose to the occasion in remarkable style with a burst of three wins and a draw in the first four games of the best-of-10 series. At writing Korchnoi leads 5-2 and needs only one draw from three games to qualify for a semi-final pairing against the young lion Kasparov.

Another veteran to defy the years is the ex-world champion Vassily Smyslov, now 62. Smyslov surprised everyone when he qualified as one of the eight world title candidates, and earlier this month he took the lead in his quarter-final against the strong West German Robert Hubner, some 25 years his junior. The winner's harmonious blend of strategy and tactics has the stamp of a true grandmaster.

WHITE: V. Smyslov (USSR). Black: R. Hubner (West Germany). English Opening (4th match game 1983).

1 N-KB3, N-KB3; 2 P-B4, P-B4; 3 N-B3, N-B3; 4 P-KN3, P-Q4; 5 PxP, NxP; 6 B-N2, N-B2; 7 P-Q3, P-K4; 8 N-Q2, B-Q2; 9 00, B-K2; 10 N-B4, P-B3.

A critical moment. Theory recommends the pawn sacrifice 10 . . . 0-0; 11 BxN, BxB; 12 NxKP, B-K1, when Black's bishop pair compensate for his sacrifice Hubner's defensive alternative gives White the initiative, and the German GM fails to challenge the established verdict. Was he bluffed, or did both grandmasters know more than is in the books?

11 P-B4, P-QN4; 12 N-K3, R-QB1.

12 ... PxP; 13 PxP, R-QN1; 14 KN-Q5 (Seirawan-van der Wiel, Wijk 1980) was better for White for essentially the same reason as the present game: White's fine knight outpost at Q5 enables him to dictate play on both sides of the board.

13 KN-Q5, NxN; 14 NxN, 0-0; 15 PxP, NxP; 16 B-B4, N-B3; 17 P-QR4, P-N5; 18 R-B1, B-K3; 19 P-K4, B-Q3; 20 B-K3 N-R4; 21 P-Q4!

A first-class concept. At first glance this move is weak, conceding Black a mobile queen's side pawn majority, but Smyslov judges that his own Q4/K4 pawn centre will vitally strengthen his coming king's side attack.

21 ... P-B5; 22 N-B4, B-KB2; 23 Q-N4; Q-K1; 24 QR-K1, N-N6; 25 K-R1, K-R1; 26 Q-R3, R-B2; 27 P-K5!

This precisely timed sacrifice justifies White's earlier strategy, opening up lines for his pieces to swoop on the black K.

27 . . . PxP; 28 PxP, BxP (if QxP; 29 B-N6 wins the exchange); 29 B-K4, P-N3; 30 BxNP! Q-R1 ch; 31 K-N1, B-N1 (if BxB; 32 NxB ch wins material); 32 BxKRP!

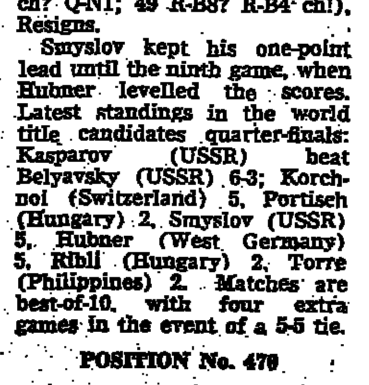
Another tactical coup destroys the BK's defences and assures White a decisive material lead.

32 . . . RxB; 33 N-N6 ch, K-N2; 34 Q-Q7 ch, R-B2; 35 RxR ch, BxR; 36 NxB, Q-Q4; 37 QxRP, R-R4; 38 NxB, QxN; 39 B-Q4 ch, NxB; 40 QxN ch, K-R2; 41 Q-K4 ch, K-N2; 42 R-KB1, Q-R2 ch; 43 R-B2, Q-B4; 44 K-B1, P-B6; 45 PxP, PxP; 46 Q-K6, Q-KN4; 47 R-B7 ch, K-R1; 48 Q-B8 ch! (avoiding the last trap 48 Q-K8 ch? Q-N1; 49 R-B8? R-B4 ch!), Resigns.

Smyslov kept his one-point lead until the ninth game, when Hubner levelled the scores. Latest standings in the world title candidates quarter-finals: Kasparov (USSR) beat Belyavsky (USSR) 6-3; Korchnoi (Switzerland) 5, Portisch (Hungary) 2, Smyslov (USSR) 5, Hubner (West Germany) 5, Ribli (Hungary) 2, Torre (Philippines) 2. Matches are best-of-10, with four extra games in the event of a 5-5 tie.

POSITION No. 479

BLACK (3 men)

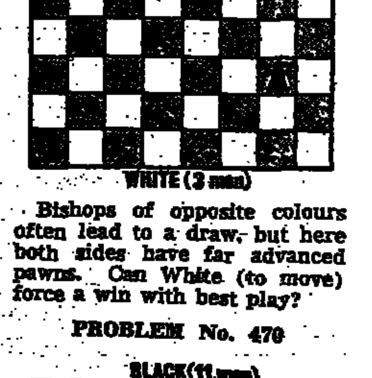


WHITE (3 men)

Bishops of opposite colours often lead to a draw, but here both sides have far advanced pawns. Can White (to move) force a win with best play?

PROBLEM No. 479

BLACK (11 men)



WHITE (7 men)

White mates in two moves, against any defence. This problem was among a set which the great world champion Capablanca solved in an average two minutes six seconds, but at least one chess microcomputer has cracked the puzzle in four seconds flat. How do you (or your computer) compare?

Solutions Page 14

هكذا من الأصل

Yesterday Tokyo Disneyland opened. **Caroline Martin**, aged 12 and addict of Disney ventures in the U.S. and her father, the FT's **Jurek Martin**, assess what is bound to become a major international attraction

Surviving the ride on Space Mountain

I THINK that Disneyland is every child's fantasy. I couldn't believe my luck when I discovered that one was going to open in Japan while I was staying there on Easter holidays and could hardly wait to go. I especially wanted to see if my father could stand the ride on Space Mountain.

The main set-up is very similar to California's, with only a few changes to the rides. It is also divided into five main areas, Adventureland, Fantasyland, Westernland and Tomorrowland, as well as the World Bazaar, which is the main shopping and restaurant area near the entrance.

The best ride in the whole of Disneyland, I think, is Space Mountain in Tomorrowland. In fact it is the best of its kind I have ever come across. In it, you experience a series of wild and unexpected turns through space at top speed. If you go on it with an adult, the important thing to remember is to get in first, so that you will be thrown against the adult as you rocket about rather than the other way round. I have to say my father took it pretty well but I think he was relieved that the ride closed down for a couple of hours in the early evening.

My second favourites were in Adventureland. In the Pirates of the Caribbean, you travel (in a boat underground) past wrecked ships and treasure caves, with pirates singing, dancing and shooting at you. It is realistic, and so is the Jungle Cruise where you also go by boat under waterfalls, past yawning hippopotami and alligators and fierce tribal warriors.

For younger children, there are good rides in Fantasyland, such as Peter Pan's flight, where you board a ship and fly over London watching Peter's adventures in Never Never Land, and Pinnochio's Daring Journey, which is built like a ghost train except that it shows what Pinnochio went through to change from a puppet to a small boy.

The Haunted Mansion looks like a real mansion (from the outside) but inside you are shown into a room which grows while you are standing in it. Then you travel through the house, in a chair with a ghost, and see many amazing things. I did not find it scary though young children might.

I would also recommend the country bear jamboree, mechanical bears rollicking around and singing country songs partly in English and partly in Japanese; a ride on the Western River Railroad, which also takes you through Primeval Land; and the Mark Twain Riverboat, an amazing life size version of the real thing.

The popcorn wasn't bad but I agree with my father that there ought to be more Japanese food available. I didn't come all the way to Japan just to eat hamburgers.

There are also modern video games and in the Penny Arcade some beautifully made old games. Both are good places to enjoy yourself and perhaps, like me, purposely delay leaving such a wonderful place.

Caroline

I MUST confess I have never really been caught up in the Disney mystique. From an early age, it seemed to me that Bambi's mother got off lightly, while a more recent, and truly surrealistic experience — covering a Jimmy Carter speech in Florida with a floodlit Cinderella's Castle as a backdrop — did little to whet the enthusiasm for a return engagement.

Yet it is hard not to be impressed by what Disney has wrought on the outskirts of Tokyo. In fact, it could just as well be in Timbuctoo as Tokyo for the external environment is very much subjugated to the American formula. The common language is as much English as it is Japanese: virtually all the food is Western (which is a marginal pity): and the place looks and feels so much like its American forebears, down to the last minute detail, that one hardly notices that almost all the staff and visitors are, of course, Japanese.

Bringing this off is no mean feat in itself.

Technologically, it is a marvel. I never really understood what a neighbour here, a Disney engineer on secondment from California, was talking about when he waxed eloquently on the sophistication of "animatronics." But seeing is believing. Singing bears, drunken pirates and gambolling elephants do not merely look "realistic": their programmed movements are uncannily natural. I detected one disembodied head in the Haunted Mansion whose lips were fractionally out of synch with its words, but the rest was without flaw. My Disney friend is afraid that the Japanese who will be taking over from him will not be able to maintain such delicate systems, but that may be proprietorial pride speaking.

The artful use of space also amazes. Some of the best diversions (including Space Mountain and the Jungle Cruise) give an illusion of distance within relatively confined areas. The overall design, on an acreage almost identical to those in Florida and California, provides for plenty of open space: it should not, therefore, turn into a (singing) bear garden, unless it rains, and even then there is enough cover to provide protection.

There are some disappointments: cars on the Grand Prix racing circuit go at no more than a brisk walking pace: whoever wrote the song "It's a Small World" should be subject to a fate worse than Bambi's mother: and there is, of course, a relentless blandness to Disneyland.

It stretches to the food, to the shops, and reaches its nadir in some of the most awful travel film dialogue ever inflicted on East or West (the serving of tea, one is told, is an English ritual unchanged from and rigidly observed since Shakespeare's day, as pictures of Anne Hathaway's cottage flit round the circular screen; and this in a country which has raised the tea ceremony to art form). But, then, the whole ethos of Disney has been to entertain, not to challenge or inform.

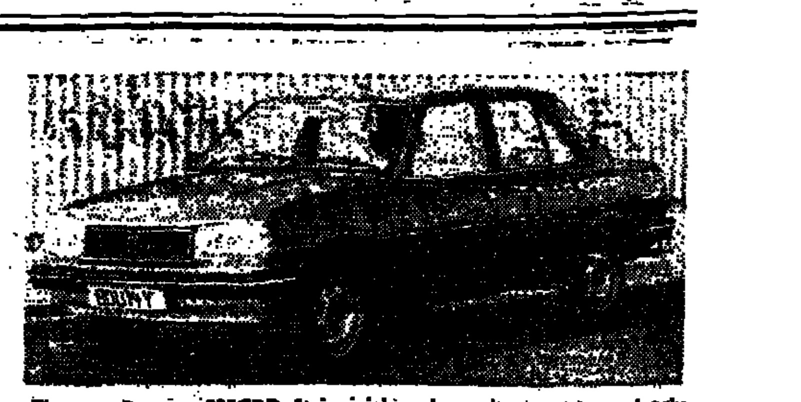
But there is Space Mountain, the thought of which brought a gleam to Caroline's eyes and a churning to my stomach. All I will say is that it lasts for about 90 seconds and I had no idea which way was up when I emerged.

● **If you go:**

Safest to book in advance. Disney has instituted an advanced reservation system to help control visitor flow. Best bet is to call Tokyo Disneyland Information Centre (in Tokyo, 366 5600) or one of the bigger travel agents, many of whom have made block bookings. Best weekday deal is the unlimited passport (adults Y3,900—about £11—children 12-17, Y3,600; 4-11, Y2,800); on weekends, school holidays etc, the more limited Big Ten Ticket Book (Y3,700, Y3,300 and Y2,500 respectively); general admission is Y2,500, Y2,100 and Y1,500, with individual attractions ranging from Y100 to Y400 per time. Easiest transport from Central Tokyo is Tozai Line underground to Urayasu station, then special bus, total time approximately 30 to 40 minutes. Pack a hip flask: Disneyland is rigorously dry.

Jurek

Link with lead in petrol?



The new Peugeot 305GRD. It is quick, quiet and runs on completely lead-free diesel fuel.

MOTORING

STUART MARSHALL

IS LEAD in petrol as harmful to the mental development of children living in towns as Campaign for Lead-free Air (CLEAR) says it is? Des Wilson, CLEAR's chairman, an enthusiastic champion of social causes, has no doubt that it is slowly poisoning the nation's youth. Many supporters of the environment/conservation movement agree with him.

But some learned bodies, like London University's Institute of Child Care, do not. It reported this week that a three-year survey involving 7,000 children in three London boroughs showed a strong connection between social factors and what one might call brain power. The link with lead? "No definite evidence that lead at present urban levels is affecting children's development," said the scientists.

So who is right? I have no idea, though I do feel that often one has only to scratch an enthusiast to find a fanatic and that statistics, to put it kindly, are open to varying interpretations.

Climbing back on to my fence, I will make a point that is hardly ever mentioned when CLEAR and its supporters engage in noisy public debate with those (mainly motor and oil industry) interests who don't think lead is the evil it is made out to be. Diesel fuel contains no lead. Diesel cars use substantially less fuel than those with petrol engines, especially in city centres where airborne lead is likely to be most damaging.

Ergo: shouldn't the Government, out of concern for the environment and in the interest of conserving oil resources, be doing more to encourage the use of diesel cars even if the case against lead is unproven?

My enthusiasm for the diesel car will be familiar to any regular reader of this column but I hope it stops well short of fanaticism. I have been running one of my own for more than two years. It is a Peugeot 305 estate, which has covered 24,000 miles without mechanical problems, is an infallible first-time starter and monotonously averages 43-45 mpg despite a great many short trips and cold starts.

Diesel cars do have snags though some are more apparent than real. They cost more; usually between 5 and 10 per cent more than petrol equivalents but comparisons can be misleading. For example, the new Peugeot 305 GRD 1.9 litre saloon costs £5,535 on the road against £4,935 for the 1.5 litre petrol GR. The £600 premium, however, includes a five-speed gearbox which is not available on other 305s. Similarly, Ford's 2.3 litre diesel Sierra L hatchback is £416 more than the 1.6 litre petrol model. But again, the price includes a five-speed box, which is normally £183 extra. The net difference is a mere £233. A 20,000 miles a year motorist would get that back in fuel saving in a year if he spent a lot of his time in stop-start conditions.

Noise puts many people off diesels. They do clatter loudly when started from cold and they grumble away at tick-over even when warmed-up. But the noise is less obvious inside the car than outside. At normal driving speeds, it is often difficult, even impossible to detect whether a car is petrol or diesel engined. Servicing has to be more frequent; there is no such thing as a 12,000 mile service interval diesel. An oil and filter change at 3,000 miles is the norm, which must be taken into account when working out costs.

I dispute that diesel cars are smelly. The alleged horrors of tanking them up at self-service pumps are much exaggerated. Derv fuel is not price cut so widely as petrol but at the moment it is selling at anything between 10 and 20 pence a gallon less than four star if you look for it. Having seen too many false dawns, I don't believe this differential will remain for long, though I hope it will.

The old idea that diesels are slow and boring should be laid to rest. Some of the cheapest diesels are the liveliest. The £4,990 Renault 9TD is good for 88 mph, the Renault 18TD betters 95 mph and costs £6,470 with power steering, the Peugeot 305GRD peaks officially at 94 mph but shows over 100 mph on its speedometer on a downgrade, still sounding relaxed. The same engine and gearbox go into the Talbot Horizon 1.9LD which costs £5,295. Vauxhall's admirable and reasonably priced Astra and Cavalier diesels will be on sale from next week with the GM double-overdrive five-speeder that their Opel counterparts have had on mainland Europe for months.

On fuel economy grounds alone the diesel has a lot going for it. Those who don't like them argue that the petrol engine can be developed to give similar consumptions. At steady speeds (and especially high speeds) they may be right.

Most of us like to save money. If we are also troubled by the thought that exhaust fumes may be harming the intellect of the rising generation, then the fact that a diesel car runs on totally lead-free fuel could be the clincher.

Stopping car thieves

MARKING ALL the windows in a car indelibly with its registration number and displaying a sticker saying you have done so is considered a good deterrent to the car thief. (He won't want to spend hundreds of pounds replacing all the glass). The usual way is to etch the windows chemically and many brands are on sale in motorists' shops. But the latest idea is to scratch the registration numbers on with a tiny diamond stylus and stencil. Swiss Glass Engraving, of Potters Bar, Herts (tel 0707 53765) market kits from £5.95 upwards. They assured me there was no danger of the stylus making toughened glass windscreens break and pointed to another use for it when the car had been made thief-resistant. Hand glass engraving is becoming a popular hobby. A proficient amateur can make a pub-type wine glass look like a family heirloom.

Paul Jennings argues with a new electronic gadget

Have brain, can process

ONE OF these days—what am I saying, today—I am going to write the following advertisement, even if I can't afford to take full pages in all the nationals with it:

"We begin with a unique fourfold guarantee. We will pay £1m to anyone or any firm that can match our claim to:

1—More than 60 years' research into word processing.

2—Ability to work without being programmed by someone else.

If our product has not been programmed with such words as ectrotic, emunctory, lutulent or ginglyform it is perfectly capable of DISCOVERING FOR ITSELF that these mean respectively, "tending to produce abortion," "pertaining to blowing of the nose," "muddy or turbid." and "hinge-shaped." Although perfectly ready to admit that writers such as Lord Dacre (Hugh Trevor-Roper) or George Steiner have been programmed to know a lot more than it does, if George Steiner writes of Koestler's "fascination with the obscure wonders of artistic creation," our product can detect an error even in George Steiner's word-processing, and can indicate (on a fluorescent screen if anyone points a TV camera at it) that Koestler may have had an interest in or obsession with the obscure wonders of creation, and if so it was the obscure wonders of creation that had the fascination for him, not the other way round.

3—Ability to work without disks of any kind, floppy or hard. In fact our product can work WITHOUT ELECTRIC POWER OF ANY KIND IF NECESSARY, and has often worked by candle-light during power cuts when other word-processors were out of action.

4—Ability to read and maintain, on its own, the tenor line in any madrigal. . ."

I felt impelled to write this ad for (but you guessed) myself because the moment after: (a) receiving some admittedly beautifully printed guff for something called a Book Machine, "a computer system specifically designed for authors and for authors' secretaries," with a Central Processing Unit, Intel 8088 16-bit, and a Main Memory of 256 K (Upgradeable by plug-in units to 896 K), I: (b) read one of these full-page things with a picture of Stirling Moss holding a steering-wheel unattached to any car and saying "Stirling Moss uses his as an encyclopaedia" which went on to assert that Kingsley Amis, no less, said that before he got his word processor ("I'm told it holds some 80,000 words with space for a further 30,000 of one's own particular terminology") his mere typewriter "added gratuitously to my reputation as an anagrammatical wit. In an article on Graham Greene's *The Power and the Glory*, about the travails of a whisky priest, my fingers and my typewriter conspired to write 'The prist is a bad priset.'"

Now, I quipe see phap if one's fingers (or one's pypewriper) suddenly gep inpo some bad hapib, such as pupping p inspead of t as in the foregoing pwo - - - sorry, two, lines, it would be quite useful to have a machine that corrects this or any other kind of mistake automatically. I quite see that we can't go on exporting heavy old iron-framed knitting machines, steam locomotives, and ocean liners with four tall funnels and reciprocating engines made in Glasgow; if we want to regain our 19th century position as whap my typewriter often calls the wonkshop of the world, we have got got to get into this business of siticon chits and micro-compupers, and no doubt it is some kind of Good Thing that three-quarters of our seven year-olds, or is it seven-quarters of our three-year-olds, have already taken to them like ducks to Good Thing that reciprocating engines made in water (I've noticed that the new pechnology doesn't seem to have helped nespapers much, but let thap pass). What I do not accept is that any damn machine is going to replace Kingsley Amis, Or George Steiner, or me, or even Stirling Moss, as a Book Machine, or even just an Article Machine. I wouldn't let it try, even it cost 6p, let alone £3,980 plus VAT.

I'm sure they're fine for business executives. But writers? I am willing to bet that old Kingsley doesn't think they all said in the salons "did you see that marvellous thing of Kingsley's about the prist being a bad priset?" What, the man who wrote that marvellous stuff about Jim cutting the black and yellow bits out of the burn he had made on his host's bed-cover, so he wouldn't notice, and the First Eleven of awful people (Beethoven Twelfth Man)? Gerraway. It was that machine thought it was anagrammatical wit.

I bet the moment it got hold of the information about his original slip its Anagram Memory went to work, and, going bip bip bip like that thing that gives the football results on Saturday afternoon TV, it said on its screen:

THE PRIST IS A BAD IPSTER MIDDLE-AGED MAN WITH BEARD AND JEANS PROBABLY COCKNEY ORIGIN UNCONVINCINGLY DISGUISE

THE PRIST IS A BAD STRIPE 18TH AND EARLY 19TH CENTURY SLANG FOR CONVICT

THE PRIST IS A BAD PISTRE OLD MEXICAN COIN ORIGINALLY PIASTRE

THE PRIST IS A BAD SPRITE CHECK REFERENCE TO VICAR ACTING AS DEMON KING IN VILLAGE PANTOMIME QUERY MEXICAN PANTOMIME CHECK IF PLOT SAYS IN ENGLISH PARISH BEFORE GOING MEXICO

THE PRIST IS A BAD PRESIT MEANS HE FAILED ELEMENTARY THEOLOGY EXAMINATION

THE PRIST IS A BAD SITREP ARMY SHORTHAND PHRASE FOR SITUATION REPORT I.E. WILL COME TO BAD END

THE PRIST IS BAD TRIPES CHECK WEATHER THIS CRITICISM OF PRIST OR OF BOOK

THE PRIST IS A BAD TIPERS YOU CAN SAY THAT AGAIN

THE PRIST IS . . . .

. . . . only a writer, not a word-processor, can tell you what a prist really is. Even if he does stick to an ectrotic typewriter.

The first of the great flower performers

GARDENING

ARTHUR HELLYER

AS I LOOK out of the window the garden is golden with daffodils as gardens are throughout the country and many meadows, too, for the daffodil is in part, though not in whole, a native plant.

Daffodils are one of the easiest bulbs to grow and also one of the most rewarding. Only the very early flowering cluster narcissi, such as Scilly White and Soleil d'Or, are a little tender and so more or less confined to warm south-western gardens. The rest are tough and reliable and without any special care bulbs can be expected to increase by at least 150 per cent in weight each year so that 10 lb planted will become 25 lb the second year, over 60 lb the third year and so on until overcrowding and consequent starvation slows down the rate of growth. Some very prolific varieties, such as Ice Follies and the double cluster flowered Cheerfulness, can increase by more than 200 per cent annually and even the poor performers can be expected to give well over 100 per cent weight increase. So anyone investing in a few daffodil bulbs can be fairly sure of seeing a rapidly increasing display

Small wonder that in England and Wales a greater commercial acreage is devoted to daffodils than to any other flower crop, a total of just over 9,000 acres according to a Ministry of Agriculture report published in 1981. Entitled "Daffodil Varieties," it is a slim 40 page booklet which can be obtained from the Stationery Office but seems too highly priced at £3.95 to attract any but specialised readers. Yet I find it makes fascinating reading for it contains a lot of hard information not available in ordinary bulb books or catalogues. For example I learn that St Keverne, not a variety that has made many headlines, is excellent for all purposes and is highly resistant to basal rot, about the only really troublesome daffodil disease. It is a large-cupped, all yellow narcissus with extra long stems, up to 44 cm (17½ in) and a habit of holding its buds well up.

Silver Standard is another of the less familiar varieties to get a good recommendation. It is described as similar to Ice Follies, one of my favourite large cupped narcissi with large, frilled almost flat white cup, but taller with a stem length of 44cm (17½in). However Ice Follies has the advantage in flower yield which is rated high, meaning 2.5 to 3 flowers per bulb in the second year, whereas Silver Standard is rated average with 2.1 to 2.5 flowers per bulb in the second year. Fortune, which is one of the most planted large cupped narcissi, gets a low rating

Golden Ducat is praised as one of the most attractive and earliest double daffodils but both flower yield and bulb weight increase are listed as low and the long stems (52cm or 20½in) and heavy buds require a well sheltered place. It is not one I have ever tried to naturalise but it grows well with Ice Follies in a narrow border at the foot of a low south-facing wall.

Of course "Daffodil Varieties" is not in the least concerned with the scores of miniature or small daffodils which are finding ever increasing favour with home gardeners. They have no place as commercial cut flowers though they may look charming in small vases but it is on their merits as delightful garden plants that they are finding so many new friends. They take up less space than the big daffodils, do not look so untidy after flowering and make perfect pot or window box plants.

It is difficult to draw any firm line between these little fellows and the big ones as they merge one into the other but I would put February Gold in the miniatures because it is only 12 in high despite the fact that its all yellow trumpets can be quite large. But Peeping Tom, with even longer shapelier trumpets, stays for me with the large flowered daffodils since it is a good 15 in high, but that, some will say, is splitting hairs. Binkie, a lovely little narcissus with a neat sulphur cup displayed against a slightly deeper primrose perianth, gets by on its 12 in height, and Jenny, an all white flower with slender flared trumpet and narrow, swept back perianth segments, romps home at a mere 9 in.

There are lots more of this persuasion, many of them owing some measure of their parentage to *Narcissus cyclamineus*, a little beauty that has never been equalled in distinction by any of its offspring. It is a plant for cool, rather moist, semi-shady places in rock gardens, on banks or wherever it will not be overrun by stronger-growing things. It is not a bulb to naturalise in grass as the equally distinguished *N. bulbocodium* can be if the grass is fine textured as it is in the famous alpine meadow at Wisley.

Of the hybrid miniatures the ones that come closest to the species in quality are the really little ones like Tête-a-Tête, with tiny straight trumpets, and Silver Chimes.

Fallen idols

BY GEORGE MALCOLM THOMSON

The Kennedys: A Shattered Illusion
by Garry Wills. Orbis, £8.95, 310 pages

The Kennedy family had glamour; they had charisma; they were photogenic; above all, they had money—wicked old Joe Kennedy's millions. They could buy speech writers, Press toadies, men who would rush to the rescue if things went wrong, that is, if one Kennedy was given credit for a book he had not written or another was caught cheating in an examination at Harvard.

True, there was a less attractive underside to the picture. Jack's well-screened sex life was active rather than prepossessing, as if Don Juan ran an assembly line. As he told Harold Macmillan, "If I have not had a woman for long, I get a headache." He did not often have a headache. Let it be admitted then: the President had a touch of satyriasis.

Then there was religion. An asset, but one that had to be carefully handled. Good American Catholics were disappointed that the first Catholic President was not really a "good" Catholic. They would not have been able to make the same complaint about his brother Bobby who was hardly ever off his knees. The two brothers were like Charles II and James II, although Bobby, unlike James, was a devoted family man.

As a political family the Kennedys *have* been enormously successful — one President and two presidential aspirants — and naturally their success has made enemies for them of whom the latest, Garry Wills, is one of the most thorough and embittered, quick *to point out*, and with supporting evidence, how much of the Kennedy legend rests on inventions and *suppressions*.

There was, for example, the fiasco of the Bay of Pigs invasion of Cuba. It was a dotty idea, badly carried out. "It could have been worse," one of Adlai Stevenson's staff said to President Kennedy. When Kennedy wondered how, he was told, "It might have succeeded." Owing to the unbelievable incompetence with which the operation was planned and carried out, the chance of success was small. But if it had succeeded what was going to happen? The White House did not get as far as thinking of that.

The Kennedy clique blamed the failure on "a plan that Kennedy inherited from Eisenhower." This was not the case.

The failure had one unfortunate side-effect. It made Robert Kennedy determined to "get" Castro, although opposing the hiring of Mafia hit men to do the job. The evidence for the assassination plan is only circumstantial, although L. B. Johnson was one of those convinced by it ("but Castro got to him first.")

Mr Wills is another believer. He takes a bull-dozer to the work of *demolishing* the Kennedy legend. For him, Teddy (Chappaquiddick notwithstanding) is the best of the Kennedy boys.

It is, of course, easy to understand the annoyance which the Kennedy era rouses in the minds of those who were not bemused by its *glitter*. Now the spell has been broken, Mr Wills thinks. "Reagan was not awed by the fake-Hollywood glamour of the Kennedys; he is — as they say — 'real tinsel'." But, while it lasted, the potency of the legend was considerable.

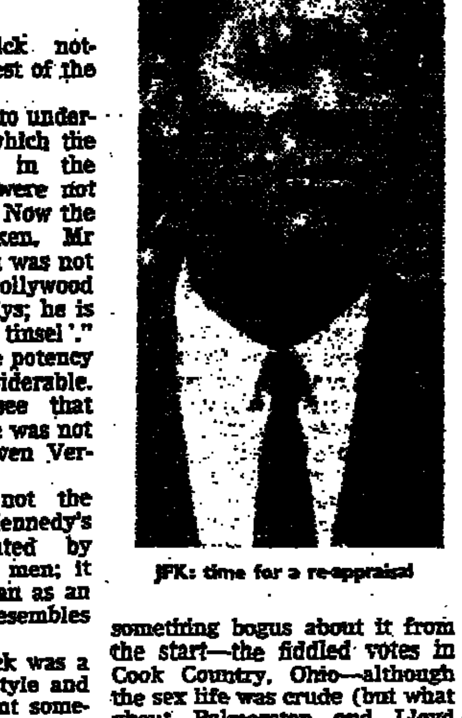
Now though, we see that Kennedy's White House was not Camelot, it was not even Versailles.

But glamour was not the whole story. Jack Kennedy's "image" was invented by clever public relations men; it was as like the real man as an "identikit" portrait resembles the wanted criminal.

The truth is that Jack was a cold fish, but he had style and wit and flair. He meant something to a whole generation of young people on both sides of the Atlantic. I can remember, on the afternoon of his death, seeing a hard-bitten journalist batter out his obituary on the typewriter while the tears trickled down his cheeks.

The legend corresponded to a real, unsatisfied need — for what? Romance? Adventure? Audacity? Perhaps only Youth. The need was real; what, for a year or two, it satisfied it was not entirely false.

So, although the illusion is shattered in a thousand pieces, with Mr *Wills* dancing on the fragments, although there was something bogus about it from the start—the fiddled votes in Cook Country, Ohio—although the sex life was crude (but what about Palmerston and Lloyd George?) and the speeches (like Roosevelt's) were a team effort, yet Kennedy was an elegant politician who 'liked the job and thrived on its pressures,' as Schlesinger said.



JFK: time for a re-appraisal

With the same tools at his disposal as others, he used them with a greater dexterity and success, thus infuriating the envious and scandalising the censorious. *What is certain is* that Washington, which Roosevelt had already made an imperial city, will never be the same as it was before Jack and Jacky set about smartening up the Oval Office.

Oscar's sad end

BY NICHOLAS BEST

The Last Testament of Oscar Wilde
by Peter Ackroyd. Hamish Hamilton. £7.95. 185 pages

Till Morning Comes
by Han Suyin. Sidgwick & Jackson. £7.95. 500 pages

Long Voyage Back
by Luke Rhinehart. Granada. £8.95. 495 pages

Running to Paradise
by Bruce Arnold. Hamish Hamilton. £8.95. 222 pages

"He accuses me of practising unnatural vices," complains Oscar Wilde in Peter Ackroyd's *The Last Testament of Oscar Wilde*. "That is absurd of him: I never practise. I am perfect."

Very possibly. And if Peter Ackroyd's imitation of Oscar is essentially derivative in nature, it is nevertheless a solid achievement in its own right. He has written the book Oscar himself could never quite bear to: a review of his own life from the early years in Ireland right through to his approaching death in Paris. An autobiography, as it were, dressed up as fiction.

As it happens there is little fiction, for Mr Ackroyd has simply drawn upon the *known* facts of Oscar's life and woven them into a coherent narrative. But everything is there. Dublin, Oxford, the initial assault on London, the American tour, the triumph of the plays, Bosie, the trial, Reading, Paris—all of it shot through with self-pity, which is surely the right approach for a man in such abject decline. As Oscar himself probably observed, anyone who has spent any time in Reading is entitled to feel depressed.

The wit flows on every page. "Only yesterday he sent me the first line of his novel. It goes: "Those are excellent apricots, are they not?" I have written to tell him that he should go on; I long to hear the answer. I know so little about apricots."

Or: "What is the use of a crown without royalties?" "I *did not steal lines from other writers*, I rescued them." "Queensberry had the habit of speaking his mind without realising that he had no mind to speak of." "I have always worshipped at the altar of the imagination, but I never believed that I would become a sacrifice upon it."

The technique is hit-and-miss, but the result is first-rate, an elegant tribute to an elegant, witty writer. The test of a book like this is whether Oscar might have written it himself, and the answer has to be yes. As such it raises the question of how Peter Ackroyd could be passed over in favour of some of the drearier names on that Best of British young novelists list.

Oscar Wilde was destroyed by intolerance. That same intolerance is on display again in Han Suyin's *Till Morning Comes*, the latest novel from the author of *A Many-Splendoured Thing*. Ostensibly about a love affair between a Chinese doctor and a beautiful American girl, this is in fact the wider story of China in the tumultuous years from the overthrow of Chiang Kai-shek to the eclipse of the Red Guards and the aftermath of the Cultural Revolution. Nobody is better placed than Han Suyin, who is half-Belgian, to view the China coin from both sides, and the result is a fine, occasionally heart-rending book in the best Pasternak tradition.

Dr Jen Yong and foreign correspondent Stephanie Ryder fall in love in the last years of the Second World War. Against strong opposition from both sides they marry and set up home in Yenan, where Mao Tse-tung's Communists are establishing a power base at the end of the Long March. For the rest of their lives Jen and Stephanie exist entirely at the whim of the Party, sometimes in favour, sometimes in disgrace, never able to relax their guard for even a moment.

The Party is all. The X-ray men at Jen's hospital suffer dangerous exposure because of official insistence that they remain at their machines as long as other workers. A woman with geraniums on her desk is accused of bourgeois tendencies until she points out that the flowers are red. In the aftermath of the Korean War a street committee condemns Stephanie as an imperialist running dog; she flees to America for a breather, only to come up against the pursed lips of the Daughters of Texas, who want no truck with a Commie spy. And so it goes on, year in, year out, as sorry a comment on human foolishness as anyone could wish for.

Luke Rhinehart's *Long Voyage Back* goes on as well, but for far too long. It takes the fashionable topic of nuclear holocaust and does nothing with it that hasn't been done a hundred times before, at half the length.

After the destruction of Washington, Neil, Frank, Jeanne and a few other stock characters take to the sea in a trimaran. No prizes for guessing that Neil and Frank squabble over Jeanne. The usual adventures — rape, looting, piracy, shock waves, fallout, mutiny, plague—are followed by a landfall in Chile, where Neill begins a new life on one leg. The author would have us believe that this is a happy ending.

Far more impressive is Bruce Arnold's *Running to Paradise*, the last in his long-drawn-out Coppinger quartet. Regular fans will know that Coppinger is the narrator's old school, a kind of orphanage for the children of broken homes. But the real hero is his father George, a lovable old drunk — spitting image of Velasquez's *The Water Seller of Seville* — who can never live with the same woman for any longer than he can hold down a decent job.

Wilde—fact or fiction?

This final novel rounds off the story to the 1970s, and George's inevitable death, surrounded by several of the women he had once loved. As a portrait of a vigorous, full-blooded, all too human character it cannot be faulted, and yet somehow it leaves a vague feeling of dissatisfaction, as if something is not as it should be. Perhaps the flaw lies in the narrator, a nameless deliberately shadowy figure — he identifies with the background figure in the Velasquez painting — who has reached his forties and yet remains obsessed with school and with his relationship with his father, all of which, at his age, ought to be ancient history.

Box-office boys look back

BY MICHAEL COVENEY

Comeback: An Actor's Direction
by James Fox. Hodder & Stoughton. £6.95. 151 pages

A Small Thing — Like an Earthquake
by Ned Sherrin. Weidenfeld & Nicolson. £10.95. 268 pages

The trouble with memoirs of the slightly famous is that they make so few demands on our curiosity. James Fox has two memorable film roles under his belt, in *The Servant* opposite Dirk Bogarde and in *Performance* opposite Mick Jagger. A cool good-looking actor, he turned to active Christianity in 1969 after a few years of drugs, promiscuous sex and prominence in the gossip columns. Still a Christian, he is now picking up the threads of an interrupted career. He recalls his life thus far in honest, unremarkable prose.

Ned Sherrin was a producer of the innovative *Tonight* programme on BBC TV and went on to discover David Frost and produce, with Frost as anchorman, that wonderful late-night satire show *That Was The Week That Was*. After TW3 (as it became known) and a sequel, *Not So Much A Programme*, in which he blossomed as an acerbic and funny chairman, he turned not to the church but to film production, with not all that much success.

Over the past ten years, Sherrin has dabbled in the theatre with his late collaborator Caryl Brahms and appeared as a dapper, wisecracking link man in that civilised after-dinner entertainment, *Side By Side By Sondheim*, as well as in a series of TV specials celebrating various distinguished lyricists of the American musical theatre. He writes sharply and wittily about all this and is engagingly cheerful about a succession of film and stage flops.

Both men came from comfortable, secure backgrounds. Fox's father was a leading theatrical agent which was no disadvantage to a boy who had dismal early careers at Harrow and in the army. Sherrin's father was a Sussex farmer and his boyhood days are recalled in a roseate wash at the very end of the book.

While Fox slips casually from one experience to another, Sherrin, more impressively, is seen as a bristling, busy operator in the corridors of media power. To those who know him, Sherrin's tall and intimidating presence will come forcefully across, scented with that smirking patrician air that marks him out in a crowd.

M'Lud

BY RAYMOND HUGHES

Rebel Advocate: A Biography of Gerald Gardiner
by Muriel Box. Gollancz. £10.95. 242 pages

And Nothing but the Truth
by Judge King-Hamilton, QC. Weidenfeld & Nicolson. £12.50. 237 pages

Some of my earliest memories as a reporter covering the High Court are of the patrician figure of Gerald Gardiner walking the corridors of the Royal Courts of Justice and dominating by sheer presence the cases in which he appeared.

Unlike many barristers, who perform like actors manqués, Gardiner, despite his lifelong love of the theatre, was not given to histrionics, or sound and fury rhetoric.

In her biography of her husband, Lady Gardiner quotes a description of him in action by a fellow barrister:

"Tall, thin, pale and austere, he has no histrionic tricks. He speaks quietly and quickly, his voice scarcely seeming to alter in tone or inflection, but it is a delicate and skilful instrument and his art is that of understatement, not declamation. His only idiosyncracy is the slow rolling up and unrolling of the 'fee-bag' string which hangs down the front of his gown."

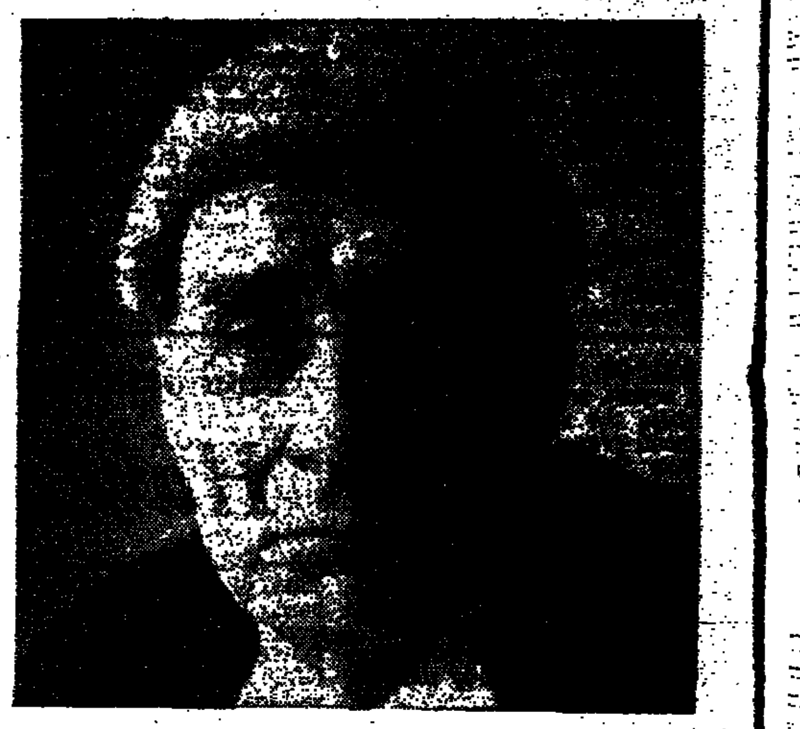
Soon after I took my place on the Press bench I saw Gardiner in action, defending the Daily Mirror when its columnist Cassandra provoked a libel action by Liberace—a case the memory of which still gives rise to nostalgic reminiscences from hardened High Court hacks as they recall the stream of quotable copy to which they were treated by the larger-than-life American entertainer.

Lady Gardiner recalls that case, and others, of the many memorable cases, in which her husband was concerned at the Bar: Randolph Churchill's slander action against Gerald Nabarro; the ETU ballot-rigging case; his celebrated, and successful, defence of *Lady Chatterley's Lover* at the Old Bailey; Rookes v Barnard (that often-cited milestone in trade union law); the libel action by Dr Dering against Leon Uris, the author of *Exodus*, in which for weeks the horrifying story of Auschwitz was revived in harrowing detail by witnesses who had survived incarceration there.

In 1964 Gardiner was lost to the Bar when Harold Wilson appointed him Lord Chancellor. His achievements as one of the great reforming Chancellors included the establishment of the Law Commission; homosexual law reform; the abolition of censorship in the theatre; the creation of the Ombudsman; the setting up of the Beeching Commission which recommended reorganisation of the courts' structure; and, above all, the abolition of the death penalty, something for which Gardiner had campaigned for 35 years.

Lady Gardiner quotes Wilson on Gardiner's speech winding-up the House of Lords debate on the Death Penalty Bill:

"Some of the most discriminating parliamentarians and commentators of my acquaintance described it to me as the greatest parliamentary speech they had ever heard—and undoubtedly one unprecedented in its power and effect in influencing the result of the debate."



Alan King-Hamilton: 16 years at the Old Bailey

In 1966, addressing the American Law Institute, Gardiner said that his motive in devoting so much of his time to law reform had been a hatred of injustice: "I can't bear seeing anomalies in our law which cause injustice. I have wanted to see them put right."

Judge Alan King-Hamilton, QC, spent 16 years on the Bench at the Old Bailey, retiring last December in a blaze of controversy. Displeased by the acquittal of four self-styled anarchists on conspiracy and arms charges, he ordered the jury to return to court next day when he passed a nine-year jail sentence on another of the group who had pleaded guilty. "Now," said the judge, turning to the jury, "you know what you have done, and I pray to God that none of you will ever have occasion to regret it."

Throughout his career on the bench King-Hamilton was no stranger to controversy and criticism, and to a considerable extent his autobiography is an exercise in self-defence and self-justification.

Most curious, however, is his recollection of his summing-up in the blasphemy trial against Gay News. He writes that while preparing and delivering it, "I was half-conscious of being guided by some superhuman inspiration. Browning's 'Hand ever above my shoulder' perhaps?"

It seems that the hand had gone by the time the judge passed a suspended nine-month jail sentence on the paper's editor. "I was wrong in doing that and regretted it . . . I was relieved when the Court of Appeal quashed that part of my sentence."

The superhuman, it seems, works in a mysterious way.

Public and private face

BY REX WINSBURY

Princess Margaret
by Christopher Warwick. Weidenfield and Nicolson. £8.95. 191 pages

Perhaps paradoxically, the most powerful argument for a Law on Privacy lies in the treatment by the national Press (of this and other countries) of that least private of families, the Royal Family. This sympathetic if necessarily incomplete biography of Princess Margaret is a timely reminder of how cruelly she, and others, have suffered through the combined hypocrisy of the British Press and the British Establishment—and how long overdue is Buckingham Palace's recent resort to the courts to preserve some degree at least of personal privacy.

Mr Warwick manages with frankness and tact the episodes of the men in Margaret's life—Group Captain Peter Townsend, Antony Armstrong-Jones and Roddy Llewellyn. But the story he has to tell is a dismal one of hounding reporters, bribery of witnesses, intrusion by photographers, selective cropping of pictures, sensationalism, double standards—to what end? Not the unmasking of crime and corruption, so often held to be the justification for an untrammelled Press, but the sacrifice of a woman's attempts to lead a life of her own choosing, on the altar of competitive mass circulation.

As biography, the best section of the book lies in the childhood years of the Royal sisters. Mr Warwick paints a generally happy picture of three generations of royalty in the 1930s, and is particularly good at sketching in the relationships between George V, Queen Mary and their grandchildren. Less interesting are the interminable details of later Royal tours.

The larger story, for a different book, lies in the rebellious streak that developed in the Royal Family: from Edward, through Margaret, to Princess Anne. It took two generations of personal unhappiness (and obstinacy) to achieve a degree of personal freedom for the third. Mr Warwick does not, perhaps could not, get far into the character of his subject. One is left to guess what kind of Princess Britain might have had, if Press and Parliament had let her be herself.

It was her father who said: "I am only a very ordinary person when people let me be one." There, I suspect, we have it. Just as George VI had the courage of an ordinary man, the unique chance to show it, so Margaret, while always mindful of her public duties, seems to have the simple sense of gaiety and love of family of an ordinary woman—but has never been allowed a proper chance to show it. Britain's public life would have been the richer for allowing her to be a more private person.

Crimes

BY WILLIAM WEAVER

The Back of the North Wind
by Nicholas Freeling. Heineman. £7.95. 218 pages

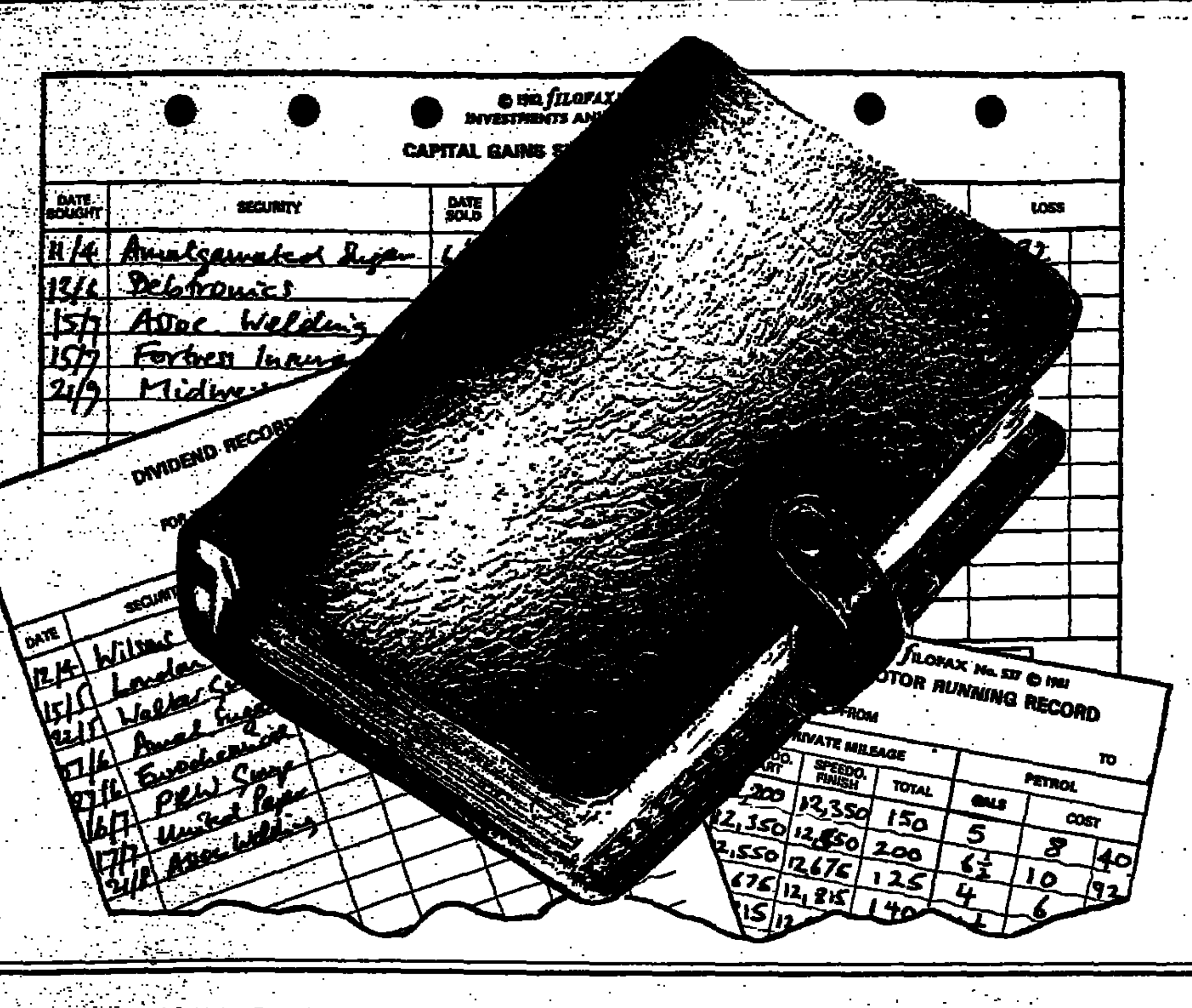
Nicolas Freeling won the gratitude of crime-fiction addicts by mercilessly killing off his Dutch detective Van der Valk just as that sub-Maigret was becoming tiresomely repetitious. Now he has moved the setting of his murders to provincial France, with generally happy results.

Lately, however, Freeling's often-praised style has grown dangerously arch and contorted and, at times, a strain on the reader's patience. Abuse of sentence fragments. Occasional, unnecessary Upper Case. Countless literary references. The dialogue is often unlikely. Behind all the fancy prose, however, there is a good, solid Police Operational narrative, with consistent and convincing characters.

The Night the Gods Smiled
by Eric Wright. Collins. £6.50. 181 pages

The dust-cover of this first novel by Eric Wright says "Introducing Inspector Charlie Salter," so presumably we can hope for more from the author about this promising character. At first he might seem familiar: a loser, a burnt-out case, a tired cop in a dull job. But he is far more original than that, and as he solves the case that is assigned to him virtually by chance, he grows, develops, and turns into a genuinely likeable, unexceptional human being. The murder victim is an academic, and the well-cultivated university terrain also offers the gifted Mr Wright an opportunity to reveal his freshness of invention.

by Lucia van der Post



Put your life in order

DO YOU ever get the feeling that your life is out of control? That you have so much to do you don't quite know where to start and so much to remember that something is bound to be forgotten? Maybe what you need is a personal and portable filing and address system — something like the Filofax system.

Filofax, I am amazed to discover, has been going for years and years. Entirely British, based in Essex, it was started sometime in the 1920s and its two largest markets originally were the clergy and the military —which is why it still offers information sheets on Church Family Records, and ones To Accompany Soldier on Transfer and a Military Commander's Interview Record.

It seems to sell almost entirely by word of mouth. I have never seen it advertised or promoted but there are those who become so enthusiastic about it, who are prone to talk in rather evangelical terms about how it has changed their lives, that its circle of fans seems to widen all the time.

What exactly, I can hear you ask, is this Filofax? Basically it is a looseleaf system of keeping almost all the personal documentation you need up to date and in order, all in one small portable package. There is a choice of binder to choose from —the cheapest is plastic at just over £5, then there is canvas, pigskin, hide and, best of all and in my opinion well worth the £32, given that this system is designed to last for ever, the Winchester calf leather. Inside the binder there is a ring system into which you slot any of the huge variety of information sheets that Filofax offers.

A standard pack would probably consist of a diary, address book and spare notepaper, but *to this basic kit you can add* maps, graphs for businessmen to keep track of sales or profits, cash column ledgers, personal expense sheets, sheets to monitor the cost of running the car, or class record sheets for tutors.

The great advantage it has over the usual diary is that it is an on-going system—when the year ends you simply take out the old diary and slot in the new; as your friends whose names with the initial A multiply alarmingly, you simply add *another page into that section.*

Its disadvantage is that since it has all the information you need, if you lose it you are in trouble. Marc Ennals, who became so enthusiastic about the system ("I was always chaotic and could never find anything I needed until I got one") that he opened a shop *devoted entirely to selling the* Filofax system and all its accessories, tells me that because it becomes such a linch-pin in people's lives they become ultra-careful and make sure they don't lose it. No more any hesitation about what you save in the fire—you reach for Filofax before the heirlooms.

Marc Ennals' shop is called The London Wood Partners and is at 9 Murray Street, London NW1 and is the only shop in the world devoted entirely to Filofax. He is happy to deal with *any mail order enquiries.* If you wish to give the system as a present he recommends the standard kit *(as already out*lined) plus a mail order form of all the specialist information sheets (these usually cost 50p a pack).

Because he is such a fanatical fan of the system Marc Ennals is really the best person to consult about adapting it for your own personal needs and a visit to his shop will certainly reveal the system's immense versatility.

It has one drawback—for those who like something that fits into a man's suit pocket, the Filofax system will not, the standard size measuring 5 ins by 7 ins. If you want something like it but want it pocket-*sized* there is a system called The Seven Star Mini Diary—the outer measurements of the *wallet are 3½ ins by 4½ ins. It* comes from Holland and is sold by Success of London, 60a Crawford Street, London SW1. It, too, is a looseleaf system, incorporating a page a day with (an added bonus?) an inspiring slogan for the day at the bottom. There's a monthly planner, address book, note book and extra *information sheets* as well. A basic diary, address book and leather holder will cost £17.95.

There is yet one *other* system which I heard about just as this was going to press. Its disciples are even more committed than Filofax fans—it is called the Time Manager system and you cannot buy it without attending a management course run by Time Manager International at 50, High Street, Henley-in-Arden, Solihull, West Midlands. ("We are a management training company, not a stationery one.") As part of the course in time management and personal motivation delegates are issued with the Time Manager System. As a spokesman put it to me, when *I asked her to tell me how it* compared with Filofax, "it is much better geared to prioritising your life. It helps delegates define their goals and how to achieve them." I'm not entirely sure what all that means but if you *feel* such a planner could change your life an investment in a two-day course may be a *small price to pay.*

On a knife's edge

MANY readers may already be familiar with the Kitchen Devils range of domestic knives. I was won over by them years ago when the bread knife in the range proved to be the only one I'd ever come across that even the children could use without leaving the loaf lopsided. We use it to *this* day and I can't remember ever having had it sharpened.

Harold Bearston, who runs the company, has long been watching with disquiet the inroads being made by foreign manufacturers on what he regards as Sheffield's natural market. He *tells me that* while British domestic knife manufacturers have around 80 per cent of the UK market, it has only 10 per cent of the professional sector. It was thus a natural step for him to start using the same expertise to produce professional carving and cooks' knives of all sorts — hence the introduction a year ago of the Professional range, some of which is photographed above right.

If you want to judge a good cooks' knife Harold Bearston believes there are four main things to look out for (and needless to say, he has made sure the Kitchen Devil range includes them all!):

1) the knife should have a good balance and anybody who has done any cooking at all soon gets a feel for a well-balanced knife.

2) it should not be too light as some weight is needed for most kitchen jobs.

3) it should be made of a steel specification that allows *for* good edge retention — the Kitchen Devil range is made from a stainless steel *with* enough carbon (0.5 per cent) to give the vital edge retention and enough chrome *(14-15 per cent) to keep* the knife free from corrosion, and traces of molybdenum.

*4) the handle should be dish*washerproof. Though the traditional butchers' knives were usually *made* of wood this is now no longer allowed under the new British Standard. Wood, though lovely to look at, is unhygienic; it tends to swell, causing a gap to appear around the tang where food can collect or corrode the knife. The Kitchen Devils handles are made from dishwasherproof matt black polypropylene.

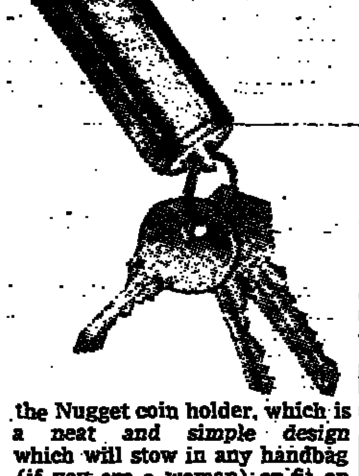
Though the range of Professional knives includes some 15 different designs, ranging from a small paring knife costing about £3.50 up to a long ham knife, costing about £10.50, Harold Bearston reckons the average household needs only somewhere between three and four of these.

So passionate, however, *is* he on the subject of knives that he has just opened the first of what *he hopes will be a chain of Knife* Care Clinics. The first one is in Selfridges (of Oxford Street, London, W1) in the basement kitchen gadgetry department and there readers may take along their knives (of any make) and not only have them sharpened free but also be shown how to sharpen them at home. *Ken Orford,* who runs the clinic, has discovered that many people don't even own a knife sharpener and even those who do often don't know how to use it properly. "Then they wonder why their knives are blunt."

Kitchen Devils sells a high-grade butcher's steel for sharpening knives for £11.75 and in the clinic you can be shown how to use it.

The full range of professional knives can be seen and bought in Selfridges, all branches of the John Lewis Partnership, larger Tesco stores, all branches of Bentalls and Robert Dyas, as well *as many* other department stores and hardware shops.

Neater by the dozen



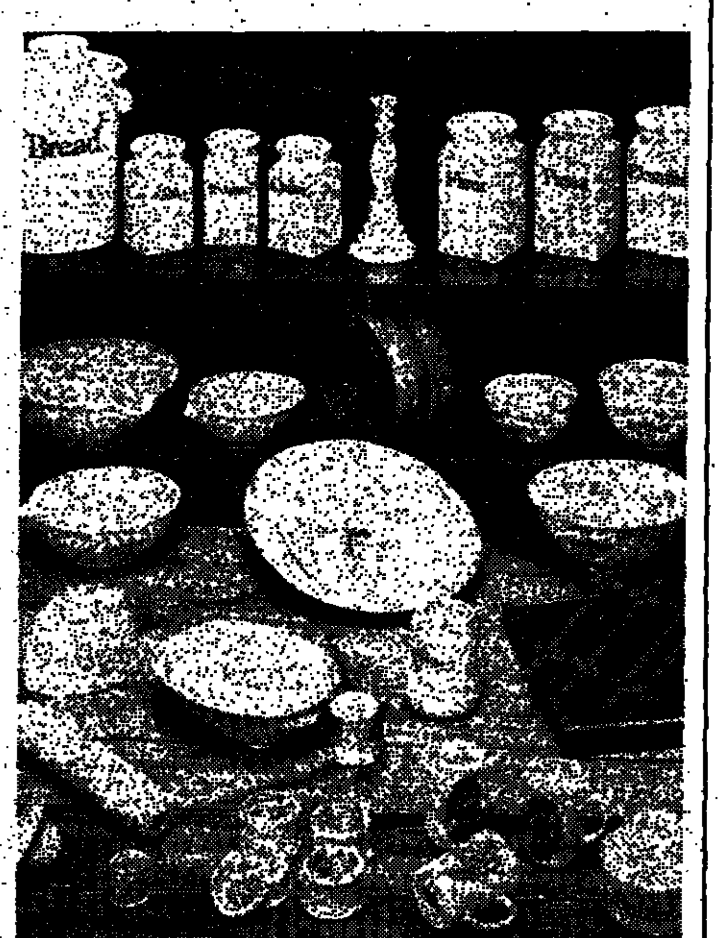
JUDGING by the howls of complaint already braying around the soon-to-be-introduced £1 coin, we British are doggedly doing our usual best to resist change of any sort. I haven't yet seen a coin, so refrain from deciding whether or not it is a good idea. What is certain *is that it is coming and that in* just a couple of weeks most of us will have to get used to handling it. Those who are worried at its small size, who fear that they will not always be able to identify it easily and might thus spend it instead of a less valuable coin (which seem to be the chief fears that a recent poll on the subject unearthed) might like to indulge in a new device which *has been designed specially* to store the new coin. Saunderson & Costin, who have developed the Nugget coin holder, which is a *neat and simple design* which will stow in any handbag (if you are a woman) or fit on to a key ring. It is small but will hold up to 12 £1 coins, each of which can be dispensed neatly simply by an easy thumb movement. Made of a "gold finish" aluminium, it costs £4.95 and can be bought by mail from Saunderson & Costin, Andover Road, Highclere, near Newbury, Berks.

FOR gadget-freaks or the ultra cost-conscious, there is yet another gadget to buy to help them keep track of all they're spending on running the gadgets they already own. You need to be sufficiently interested in exactly how fast or far your electricity bill is mounting to think it worth shelling out another £100 just *to* find out but once you've bought it, the Telectric will help you monitor the cost of *any electrical appliance.*

Usually most of us only have a rough idea of how much it costs to run any individual electric appliance. With the Telectric, you can plug your appliance into the gadget and then the cost of running it is shown up on the panel incorporated into the box. It will go on clocking up the cost to a fraction of a penny up to £100, at which moment presumably you take note *and start all over* again.

Telectric costs exactly £100 and is available from Cost-a-Call, De Montalt, Combe Down, Bath, Avon.

Second edition



THERE ARE those who by temperament love to track down authentic antiques in out-of-the-way shops and don't mind the time it takes or the authentic cracks and chips. Then there are those who like things made easy for them, who like the charm without the difficulties, who like an "antique" look without the "antique" problems. The Edwardian Kitchen Company must have been started with the latter *specifically in mind.*

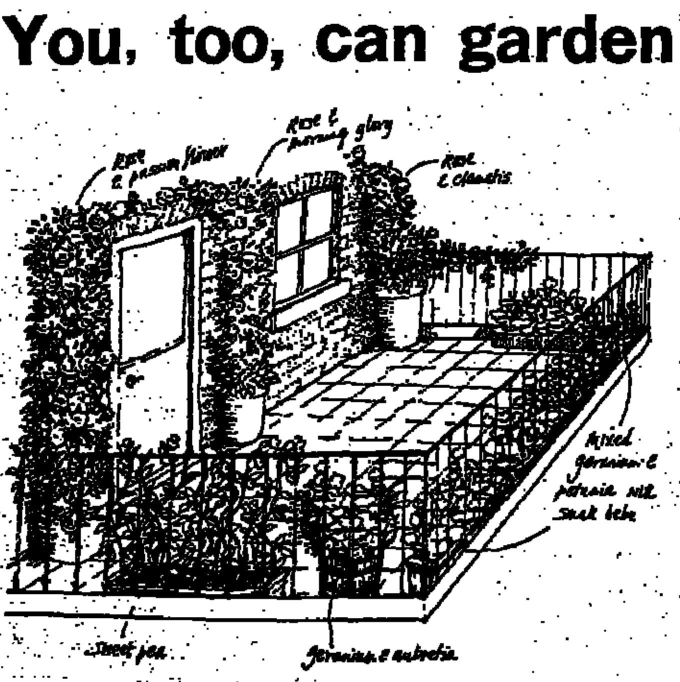
Mandy Wilkins (co-founder of the Chelsea Cobbler way back in the whizzy Sixties) had long been collecting her own authentic collection of Edwar*dian kitchenware.* She had become aware that authentic Edwardian jelly moulds lose their definition with time. 50-year-old steamers develop unhygienic cracks, tea-infusers of yesteryear do not fit today's beakers and almost more importantly, such period kitchenware wasn't instantly available to admirers of her collection.

She got together with Stuart Gibbons and they decided to embark on manufacturing a range of kitchenware that retained all the Edwardian charm of the original designs but were also easily accessible to most people (ie manufactured in sufficient numbers to meet the demand) and that were adapted to suit today's needs.

As you can see from the photograph, the collection of kitchen accessories has an air of great *simplicity* and charm. Most of the shapes are straight-forward but practical, the colouring *is plain in the* extreme — white with black lettering—but everything is made with an *eye* to its function, nothing is just for pretty effect. The storage *jars* are good chunky *sizes* with air-tight tops. the steamers and pie dishes, jelly moulds and sifters all work.

Prices range from £4.50 for the little spice jars in the front of the picture, to £54 for the large roasting *platter. The* bread bin is £24.95, the jelly moulds from £10.25, and the *smaller storage jars are £5.95* and £7.95. The range is stocked in good stores up and down the country: Harvey Nichols, Knightsbridge, London, SW1; Heal's, Tottenham Court Road, W1; Fenwick of Newcastle; Studio 1 of 10, Stafford Street, Edinburgh; and Good Ideas, South Street, Chichester, Sussex.

You, too, can garden



IF YOU have miles of ancestral lawn, or just a few scruffy acres in the country, then Felicity Bryan's latest book* isn't really meant for you. On the other hand, you need less careful advice than those of us who have to conjure with tubs and pots on a few square feet of urban patio.

Felicity Bryan, *it emerges,* writes from her own experience of conjuring a little bit of magic out of unprepossessing *concrete,* brick and trellis. She is enthusiastic and optimistic *enough (the essential qualities,* it seems to me, for any gardening writer who hopes to inspire anybody else) to *believe* that almost no situation is hopeless. I like her reply, in the introduc*tion, to somebody who suggested* that writing about gardening for Londoners (as she did for four years *on the Evening Standard)* was restricting. "Restricting?" she said, "I call it challenging."

Those of us who know just how challenging will be helped on our way by this latest book.

She divides her book into the months of the year, starting with March because that is when the gardening year begins and every month there is a check list of things to do to flowers and shrubs, to vegetables, and to fruit and herbs, to seedlings and to lawns. If you have never really learned to prune a rose, the drawings in the book will show you exactly how. If you have a dark, dank basement and have despaired of doing anything with its entrance, Felicity Bryan believes, no, knows; you can create something if you really try.

If your problem is the reverse —and it is a roof garden, you are wondering what to do with, well she can help you there, too. Once again, she knows the problems, she has tried them out herself, and she will inspire you at least to have a go. (See drawing on left.)

Very little seems to daunt her —fruit, herbs, vegetables, all have successfully been grown in surprisingly small places, and this is just the book to set one off experimenting. My own new small garden is *in dire* need of a little bit of magic and with this book in hand I really do believe that even it might one day bloom.

**Published by Penguin Books, The Town Gardener's Companion is £4.95.*

TV's poor relation

RADIO

B. A. YOUNG

Three weeks in the U.S. has hardly extended my acquaintance with American radio. Of all the people I met, I was the only one who habitually listened to radio at all, except on long drives in cars. For the home, television is king. My hosts had kindly left a set by my bedside, however, which was tuned to the frequency carrying National Public Radio—much like Radio 3, apart from the announcing. One night, meaning to go to bed early, I met a programme of Hugo Wolf songs, covering records of the past half-century. Between each group there was a chatty duologue in the studio, in which the record and its content were analysed by a kind of question-and-answer session.

And this gives me another chance to say how much I admire Radio 3's announcers, even if I can not always admire what they are given to read. (Must we have programme notes with *everything*?) When I mentioned them before, a correspondent wrote to suggest that they should be lumped together and recommended as Best Broadcaster of the Year. However, another correspondent, a little later, wrote complaining of their affected voices. I do not know how anyone could say that Cormac Rigby, or John Holmstrom, for instance, had anything affected about their reading; but as they say on the Third, *quot homines, tot sententiae.*

It is sad to come back to an England without a Radio Times. I am not a great admirer of Radio Times, but it does tell you what you want to know about the four home channels for seven days. In the newspapers you only get the one day, and that in abbreviated shape. So here are my thanks to the BBC's PR chaps, to whom I am constantly in debt, but now more so than ever.

This week's Monday Play on Radio 4, Alan Berrie's *The Good Citizen Kyle*, was a great thing to come home to—topical and exciting, and excellently directed from Northern Ireland by Robert Cooper.

Northern Ireland was not its setting, but Dublin. Northern Ireland was very much its theme, though, for it showed dramatically how the director of an international company based in Dublin had his business life and his home life ruined when he had the misfortune to recognise the assassins of the Secretary of State for Northern Ireland when he came to the Republic to talk to the Government there.

The story was ingeniously told on several levels simultaneously. You hear the radio talk of the murderers and the radio talk of the Garda almost at once. When the fatal bomb is thrown, Cormac Kyle telephones the police, as any good citizen would, to say that he recognises the drivers of the stolen van, and from then on he is a marked man. The Superintendent, reminding him that he is "the only man alive who can identify the assassins," saddles him with a police escort. He is driven into neglect of important work for his company, whose rough-sounding President (Norman Rodway) is on the side of the Republicans anyway. His marriage to his status-seeking peasant stock wife Fran (Sorcha Cusack) begins to break up. She starts to drink and to pick quarrels with other wives. As a climax, there is an anonymous telephone call warning Kyle of the result that identification of the accused men will have on his family.

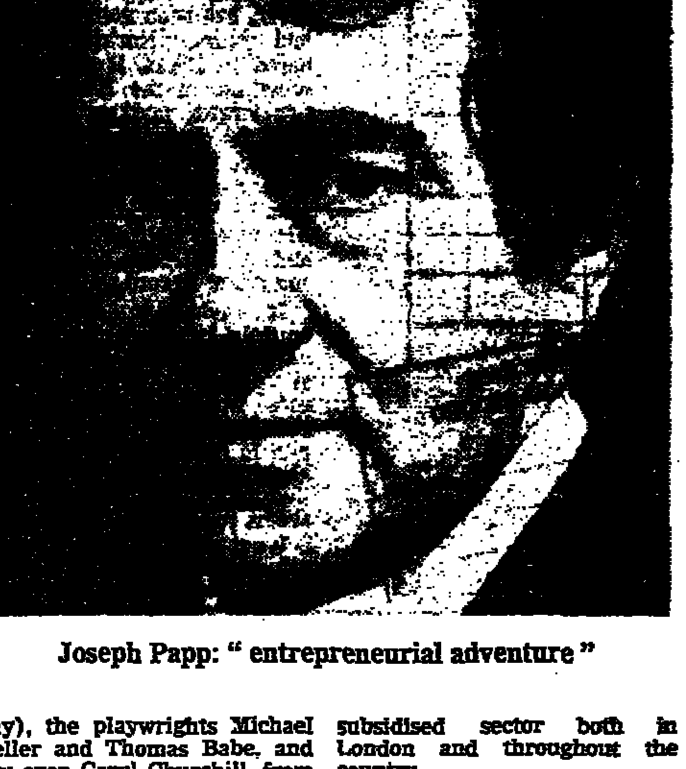
Consequently, he refuses to identify them. By then his life is in ruins. "What a price the rest of us have to pay for your bourgeois morality!" mourns Fran. There seemed to me only two weaknesses in this piece. The first, which may accord with facts as far as I know, was the amount of loose talk about Kyle's ability to identify the killers, which would certainly ensure that the killers' friends could identify their danger. The other was the introduction of a nightmare to illustrate Kyle's final break-up and this, I concede, was dramatically effective in its way, though the touch of melodrama was out of sympathy with the grim realism of the rest of the play.

Kyle was admirably played by Sean Barrett, and there was notable playing in supporting parts by Elizabeth Lindsay and Susan Sheridan as his two small daughters, Harry Towb as the Superintendent and Jim Norton as a failed businessman on the way to disaster, a character who might have come from Joyce's *Dubliners*. Indeed the playing was fine throughout, but all the players have cause for gratitude to Robert Cooper for his imaginative production.

The play will be repeated tomorrow at 2.30 pm on Radio 4, and I powerfully recommend it.

Michael Coveney meets Broadway's maverick and considers his message

Theatre—in search of the risk factor



Joseph Papp: "entrepreneurial adventure"

"The theatre is too expensive and too frivolous. People have lost the theatre habit and younger, serious people have never acquired it."

Thus spake Joseph Papp, producer and artistic director of New York's Public Theatre, when we last met in Manhattan. We were discussing the state of Broadway theatre, but his remarks have equal application to the London scene. Mr Papp had just begun rehearsals for a new play by Thomas Babe, *Buried Inside Extra*, which opened this week at the the Public and is due for a visiting season at London's Royal Court in mid-June. Last October he presented a wonderful revival of David Hare's 1978 National Theatre success *Plenty* which has just completed a Broadway run. And ties with the Royal Court are strong after the succes at the Public of Caryl Churchill's *Top Girls*, still in the Public's repertory but now with an all-American (and very fine) cast.

Mr Papp is perfectly placed to deliver serious opinions on the state of new plays on either side of the Atlantic. In New York, he is like a maverick amalgam of Sir Peter Hall and Michael White: he is responsible for a large organisation, is alert to new fashions of theatre, and even more alert to their commercial potential.

The city of New York and the federal government contribute less than 8 per cent to his overall costs and he is unshakably proud of the fact that his main source of subsidy is the commercial theatre. Chief patron of the Public, indeed, is *A Chorus Line*, Michael Bennett's innovative musical production that is still a major Broadway attraction and a money-spinner all over the world. It is the Public's biggest hit since *Hair* at the end of the 1960s.

Hair opened the Public in 1967, but for 10 years before then Mr Papp had run a Free Shakespeare summer festival in Central Park. The film star Martin Sheen appeared in *Hamlet*, there was a rock opera version of *Two Gentlemen of Verona* (which came to London) and, most recently in the park, the ebullient re-vamping of *The Pirates of Penzance*. The film of *Pirates* has just been released in America, and plans are afoot to film *Plenty*. Papp's enthusiasms embrace musicals, the development of such Off Broadway stars as the Mabou Mines company and the director Richard Foreman (from whom he has commissioned a new play), the playwrights Michael Weller and Thomas Babe, and now even Caryl Churchill, from whom he is expecting a large-scale musical.

He is untainted by the sort of puritanism and talk of "integrity" that has afflicted our own fringe generation for so long. "I'm against subsidy. I hate it. Subsidy leads to a Welfare mentality. I believe that everyone in the theatre has to want to make it. I believe passionately in the spirit of entrepreneurial adventure, an attitude that, though it may sound paradoxical, allows me to present the most radical plays."

In Britain, without subsidy from the Arts Council and Peter Hall's efforts in achieving it for everyone by forcing through the birth of the Royal Shakespeare Company in 1960, we would have had no serious post-war drama worth mentioning. No Pinter, no Stoppard, no Frayn, no Nichols, no Hare, and certainly no Brenton or Bond. Admittedly the enlightened intervention of the West End producer Michael Codron has served several of these playwrights admirably. But the great body of work, the high standards of acting, design and directing — all this has been achieved and sustained in the subsidised sector both in London and throughout the country.

But, like Broadway, the West End is suffering a collapse of nerve and spirit of serious proportions. From the mid-1970s it became clear that the advances on the London fringe were not going to change the face of the West End. And as economic factors sent production costs spiralling, that element of risk essential to a healthy popular theatre, shrivelled and finally disappeared.

The patient occasionally coughs, splutters and manages a vigorous kick from a semi-recumbent posture: Dario Fo's *Accidental Death of an Anarchist* enjoyed a healthy West End run, *Crystal Clear* struggles gamely on at the Wyndham's after its transfer from an Islington pub theatre, and this week Willy Russell's exuberant rock melodrama *Blood Brothers* opened at the Lyric on Shaftesbury Avenue. These aberrations were all conceived outside the West End scheme of things. At least we have not given up the commercial ghost altogether. On Broadway the chances of new serious drama breaking the blockbuster trend diminish by the week.

Arthur Miller, whose *A View from the Bridge* has just been revived in New York, recently reflected on Broadway in an interview with the New York Post. "It's all *Dreamgirls*," he observed, dejectedly, before going on to relate the hype-drenched prose of New York critics to the rising cost of tickets. About a quarter of all Broadway tickets are sold at half price, or on a concession basis, which is why the producers keep pushing up towards that $50 mark. But theatre-going is still expensive. "My audience," said Mr Miller, "used to be teachers, students, people who had to work. They can't afford Broadway any more, so you won't find anything there for them."

In New York, the new Broadway is, in fact, Off Broadway, where new plays are handsomely presented and attended by young audiences who can afford a $20 ticket. The parallel trend here is for the work that appeals to the under-40s majority—the constituency that goes to the cinema and rents films on video—to appear on the fringe but not in the West End. The task for the London theatre, it seems to me, is to get this work into the West End and leave the fringe circuit free to renew its experimental imperatives.

Of course many young theatre practitioners want nothing to do with commercial success and can point to the imaginative visual theatre programme that has been running at the ICA for a couple of years now, or to the left-wing and feminist groups, as evidence of life on the fringe. But the two nations theory of British theatre has never appealed to me, nor does it appeal to the majority of tax payers. While people like Joseph Papp are rare, invaluable and exceptional, his philosophy and track record have a lot to teach the British theatre stuck in a mood of recriminatory, confrontational gloom in the early 1980s.

The national mood in the arts is similar in both our countries, and obviously derived from the political and economic environments. Mr Papp says that there is no "hairy" theatre anymore because people don't want it: they want conventional theatre. If ever there was a time for giving the people what they don't want, that time is now. Mr Papp is doing his best to deliver: who will shatter the London model and rearrange the pieces?

Visions of Doomsday

VIDEO

NIGEL ANDREWS

Visions of Doomsday. The The cinema is seldom happier than when taking out the bellows and blowing the Cold War *hot* again, menacing the horizon with mushroom-shaped holocausts, and showing the terrible threat that fur-clad Russkies, speaking with fur-clad accents, pose to peace-loving Occidentals.

All the more reason why video-viewers should seize one of the few sane and grown-up products now on the Armageddon market. *The Missiles of October* (Rank) was televised long ago in the wake of the Cuban missile crisis and re-seen *now* boasts no white hairs at all. Neither does it tub-thump or melodramatise. It is telly docu-drama at its most truth-honouring; based on real tape-scripts, speeches and official records of White House meetings, cutting few corners in its 2½-hour span and even giving a fair crack of the whip to N. Kruschev (Howard De Silva) and his attempts to keep the Politburo hawks in order.

A dynamic assembly-kit of teeth, hair and Boston whine, William Devane still seems the best J. F. Kennedy impersonator; and Martin Sheen loosens many a midnight tie as Bobby, whose role as Attorney General was clearly in those days a surrogate for second premier. (Vice President LBJ doesn't rate a single mention or appearance.)

Britain's Anthony Page directs the teleplay with crisp unfussiness, save for one or two otiose mushroom-cloud inserts just to remind us what were the stakes. And if you don't believe it is possible to sit on the edge of your seat for 150 minutes, take a deep breath, buttress your behind and view.

The opposite and demented end of the Doomsday spectrum is offered by *H-Bomb*, also from Rank. Here nuclear showdowns are the stuff of badly dubbed balderdash: wherein Christopher Mitchum, a flaxen-haired beanpole variation on father Robert, is a CIA agent sent to sort out the mad General Yang of Cambodia, who has hi-jacked a U.S. missile.

Olivia Hussey as a Thai gangster's daughter with connections tries to help: the supporting Orientals have much exercise performing kung-fu fights and trying to make their English dialogue fit their mouth movements; and the plot, declares the blurb, moves briskly toward a "megatonic climax." Unfortunately, you need a mega-gin to go with it: credibility being a victim early on and dialogue and visuals throughout.

Alternatively, as an antidote, you could sample *What's Up Tiger Lily? (Polygram)*, Woody Allen's English-dialogue version of a Japanese action thriller. The bug-eyed Bard of New York does not appear himself—except to introduce the movie—but the made-up non-sequitur English soundtrack is entirely his, nailed to a real cloak-and-dagger clinker from Tokyo. "Who do you work for?" rages the hero to a pinioned assailant: "I don't—I freelance . . ." comes the politely reasonable reply. A girl chasing her stolen car cries, "Stop, you have my vibrator. . . ." And the dastardly secret the whole plot hinges on proves to be a rare and ancestral recipe for egg salad.

Lastly, to resume and conclude our Doomsday guide, a compendium of non-nuclear "scenarios" for devastation is on offer from Rank. *Encounter with Disaster* is an American-made documentary compiling earthquakes, tornadoes, air-crashes, buckling bridges, burning skyscrapers and every other kind of bad news you can think of. It is tailored for ghoulishness, but who could deny that it is riveting assembled?

All countries are grist to the film-makers' mill, and "any old aeon" is clearly the motto as they hop between decades questing for catastrophe. The Hindenburg; fire in a Sao Paulo high-rise; an oil-blaze that engulfs a whole Texas town; astonishing shots of "twisters" filmed head-on in the path of a tornado: and—quirky and startling little footnote to Hollywood history—W. C. Fields and fellow actors being interrupted in mid-take by an earthquake rumbling and rattling their soundstage.

Anatolia in Istanbul

A major exhibition of the successive civilisations of Anatolia is to be held in Istanbul from mid-May to October 13. It will be the 18th in a series of European art exhibitions held under the auspices of the Council of Europe.

Part of the exhibition will be formal and part didactic, and will range from prehistoric times to the later Islamic period.

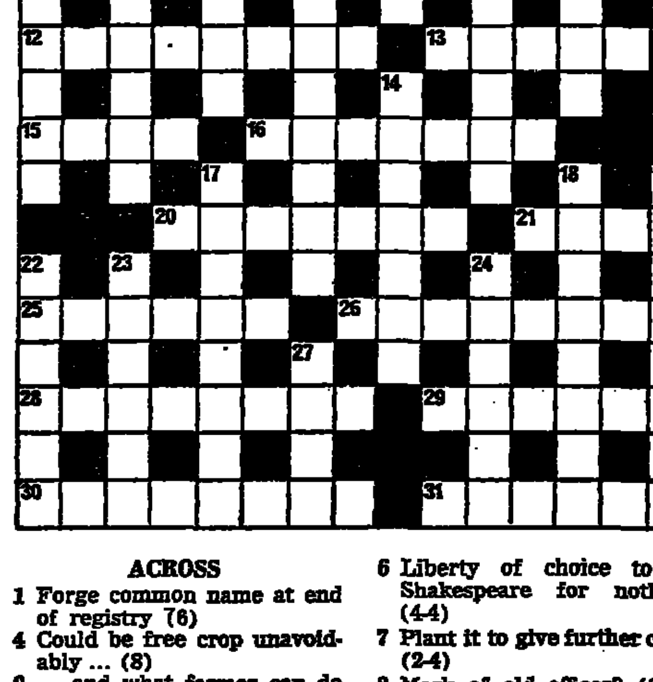
F.T. CROSSWORD PUZZLE NO. 5,148

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



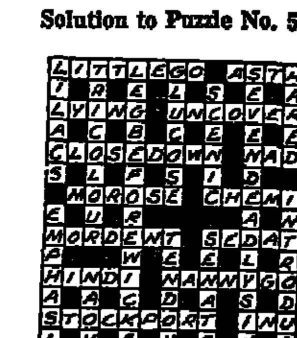
ACROSS

1 Forge common name at end of registry (6)
4 Could be free crop unavoidably ... (8)
9 ... and what farmer can do to crops (6)
10 You can't be this here! (8)
12 Excellent return from cultivated ground—a shrub (8)
13 Showing boredom, heading off for cover (6)
15 Bird to come into view indistinctly (4)
16 Look through it? (could get hooked) (7)
20 What goes with scrapes is very sparing (7)
21 Churchman reading Exodus (part only) (4)
25 English choir, discordant but courageous (6)
26 Alec and Eric out for produce from the ground (8)
28 Miss Monday, for example? (Misery!) (8)
29 High in drink, I go round overhead (6)
30 Upset to centre several centuries ago (8)
31 Headgear being loud, inside, is snatched away (6)

DOWN

1 Stray to grow irregularly (8)
2 Long pointer to organise crime-fighting unit (8)
3 Lucky chance the lady's at this place (6)
5 Fish experiences missing head (4)
6 Liberty of choice to see Shakespeare for nothing? (4-4)
7 Plant it to give further check (2-4)
8 Mark of old officer? (6)
11 Little short of season for this character? (4, 3)
14 Book section in the cathedral (7)
17 Stimulate beginning of play against goddess of mischief (8)
18 Tainted love to change as preventer of evil (8)
19 Writer to intone, having definite taste (8)
22 The cat in France, straying, gets Alpine home (6)
23 Lose head in rowing-boat, get divine wisdom (6)
24 Examine in detail by means of employment (6)
27 Share gin coming up? (4)

Solution to Puzzle No. 5,147



BBC 1

† Indicates programme in black and white

6.25 am Open University. †8.55 Leon Erroll in "Hhigh and Dizzy." 9.15 Get Set. †11.10 Saturday morning film: "Devil Girl from Mars" starring Hugh McDermot. 12.27 pm Weather.
12.30 Grandstand: Football Focus (12.35); Snooker (1.05, 2.40, 3.55) Embassy World Professional Championship; Eventing (1.05, 2.10, 3.10, 3.55) Badminton Horse Trials; Marathon Preview (1.05); Racing from Newbury (1.50, 2.20, 2.50, 3.20); 3.45 Half-time Soccer Scores; 4.35 Final Score.
5.10 Mickey and Donald.
5.35 News.
5.45 Regional Variations.
5.50 The Dukes of Hazzard.
6.40 Pop Quiz.
7.10 Date with Danger: "City on Fire" starring Barry Newman and Shelley Winters.
8.50 News and Sport.
9.05 Dynasty.
9.55 Wogan.
10.40 Blood Money.
11.40 Saturday Late Film: "The Secret of Three Hungry Wives."

REGIONAL VARIATIONS: Wales—5.45-5.50 pm Sports News Wales.
Scotland—5.45-5.50 pm Scoreboard.
Northern Ireland — 5.00-5.10 pm Northern Ireland Results (opt-out from Grandstand). 5.45-5.50 Northern Ireland News. 1.15 am Northern Ireland News Headlines.
England—5.45-5.50 pm London and the South-East: Sport; South West (Plymouth): Spotlight Sport; All other English regions: Sport/Regional News.

BBC 2

6.25 am Open University.
†3.10 pm Saturday Cinema: "The Divided Heart."
4.35 Badminton Horse Trials.
5.30 The Sky at Night.
5.50 Grand Slam.
6.15 States of Mind.
7.05 News and Sport.
7.20 World Snooker.
8.05 Alfred Brendel Masterclass.
8.50 "Roger Doesn't Live Here Any More" by John Fortune, Part 2.
9.20 World Snooker.
9.55 Film International: "Three Brothers" (Italian Film with English subtitles).
11.40 News On 2.
11.45 World Snooker.

LONDON

6.00-9.15 am TV-AM Breakfast Programme. 9.30 Sesame Street. 10.30 The Saturday Show.
12.15 pm World of Sport introduced by Dickie Davies: 12.20 Motor Cycling from Donington; 12.35 Cycling; 12.45 On the Ball with Ian St John and Jimmy Greaves; 1.15 News; 1.20 The ITV Six from Ayr and Thirsk (introduced by Brough Scott and Derek Thompson); 3.10 Motor Cycling from Donington; 3.45 Half-time Soccer News and Cup Reports; 4.00 Wrestling; 4.45 Results.
5.05 News.
5.15 Metal Mickey.
5.45 The Fall Guy.
6.45 The Children's Royal Variety Performance.
8.45 T. J. Hooker.
9.45 Tales of the Unexpected.
10.15 News and Sport.
10.30 The Big Match.
11.30 London News Headlines, followed by a Fashion Extravaganza by Antony Price.
12.30 am Close: Sit Up and Listen Brian Blessed.

CHANNEL 4

2.15 pm Go Fishing With Jack Charlton.
†2.40 Milestones of the Movies: "Executive Suite" with Fredric March, William Holden, June Allyson, Barbara Stanwyck, Walter Pidgeon and Shelley Winters.
4.35 Password.
5.05 Brookside.
6.00 Square Pegs.
6.30 News Headlines, Weather followed by 7 DAYS.
7.00 A Week in Politics.
7.45 Race, Rhetoric, Rastafari.
8.45 World of Animation.
9.00 Malu Mulher.
10.00 Bouquet of Barbed Wire.
11.00 The Late Clive James.
†11.50 Naked City.

S4C (WALES)
2.10 pm Staging an Opera. 2.35 Predicaments. 3.15 What a Picture. 3.40 As Good As New. 4.05 The Year of the French. 5.00 Yr Awr Fawr. 6.00 Switch. 7.00 Twyllo'r Taulu. 7.30 Newyddion. 7.45 Mynnu Byw. 8.15 Capstick Capers. 8.45 Glas y Dorlan. 9.15 Y Maes Chwarae. 10.05 U.S. Independent Movies: "Northern Lights."

REGIONS

All IBA regions as London except at the following times:—

ANGLIA
9.35 am God's Story. 9.50 European Folk Tales. 10.05 Star Fleet. 5.15 pm "Gentle Giant," starring Dennis Weaver, Vera Miles and Clint Howard. 10.30 Match Of The Week. 11.30 Star Parade. 12.30 am At the End of the Day.

BORDER
9.40 am The Adventures of Gulliver. 10.05 Star Fleet. 5.15 pm Film: "Gentle Giant," starring Dennis Weaver, Vera Miles and Ralph Meeker. 10.30 Match Time. 11.35 Lou Grant.

CENTRAL
9.35 am God's Story. 9.50 Larry The Lamb in Toytown. 10.05 Star Fleet. 5.15 pm Saturday Cinema: "Captain Sinbad," starring Guy Williams and Heidi Bruhl. 10.30 Star Soccer, hosted by Gary Newbon. 11.30 Pound for Pound, featuring the boxing career of the legendary Sugar Ray Robinson.

CHANNEL
5.15 pm Puffin's Pla(i)ce. 5.20 Happy Days. 5.45 Falcon Crest. 11.30 Average White Band.

GRAMPIAN
9.35 am God's Story. 9.50 Noddy. 10.05 Star Fleet. 5.15 pm Feature Film: "Captain Sinbad," starring Guy Williams, Heidi Bruhl and Pedro Armendariz. 10.30 Scotsport — Arthur Montford introduces the action from today's cup semi-finals in Scotland and England. 12.00 Reflections. 12.05 am The Gangster Chronicles.

GRANADA
9.35 am God's Story. 9.50 Cartoon Time. 10.05 Star Fleet. 5.15 pm A Song For Lisa. 5.45 Chips. 10.30 Match Time. 11.35 The Late Film: "Neither The Sea Nor The Sand," starring Susan Hampshire and Frank Finlay.

HTV
12.13 pm HTV News. 5.13 HTV News. 5.15 Metal Mickey. 5.45 Chips. 11.30 Mannix.

SCOTTISH
9.35 am Wattoo Wattoo. 9.45 The Smurfs. 10.05 Star Fleet. 5.15 pm Feature Film: "Captain Sinbad," starring Guy Williams and Pedro Armendariz. 10.30 Scotsport. 12.00 Late Call. 12.05 am The Two Of Us.

TSW
9.25 am Look and See. 9.30 The Saturday Show. 10.28 Gus Honeybun's Magic Birthdays. 10.30 Star Fleet. 10.50 The Fugitive. 11.40 WKRP in Cincinnati. 12.12 pm TSW Regional News. 5.15 Newsport. 5.20 Happy Days. 5.45 Falcon Crest. 11.30 Average White Band. 12.15 am Postscript. 12.20 South West Weather.

TVS
9.30 am Secret Valley. 10.05 Star Fleet. 12.12 pm TVS Weather. 5.15 Saturday News and Sport. 5.20 Knight Rider. 6.15 Rising Damp. 10.30 The Saturday Match—Regional and national football action introduced by Fred Dinenage. 11.30 Studio. 12.30 am Company.

TYNE TEES
9.25 am Morning Glory. 9.30 The Fantastic Four. 10.00 "TT" Time. 10.05 Star Fleet. 12.30 pm North East News. 5.10 North East News. 5.15 "The Gentle Giant." 10.30 Shoot. 11.30 Thriller—"Mirror of Deception." 12.40 am Epilogue.

ULSTER
10.50 am Star Fleet. 1.18 pm Lunchtime News. 5.00 Sports Results. 5.13 Ulster News. 5.15 Feature Film: "Captain Sinbad," starring Guy Williams, Heidi Bruhl and Pedro Marmendariz. 10.29 Ulster Weather. 11.30 Lou Grant. 12.25 am News at Bedtime.

YORKSHIRE
9.30 am Melotoons. 9.40 Fang Face. 10.05 Star Fleet. 5.15 "Gentle Giant," with Dennis Weaver. 10.30 The Big Game. 11.35 Elton John and Sydne Rome Show.

RADIO 1
(S) Stereo (when broadcast on vhf)
8.00 am Tony Blackburn's Saturday Show. 10.00 Dave Lee Travis. 1.00 pm Guitar Greats: Scotty Moore (S). 2.00 A King in New York (S). 2.05 Paul Gambaccini (S). 4.00 Saturday Live (S). 6.30 In Concert (S). 7.30 Janice Long. 10.00-12.00 Gary Davies.

RADIO 2
8.05 am David Jacobs (S). 10.00 Sound of the 60s (S). 11.00 Album Time (S). 1.00 pm The Impressionists. 1.30 Sport on 2, including Football: F.A. Cup Semi-finals—Manchester United v Arsenal and Brighton v Sheffield Weds; Racing from Newbury. 5.00 Sports Report. 6.00 Country Greats in Concert. 7.00 Jazz Score. 7.30 Big Band Special (S). 8.00 Gala Concert (S). 8.50-9.10 Interval. 10.00 Nordring Festival 1982 (S). 11.02 Sports Desk. 11.10 Pete Murray's Late Show (S). 2.00-5.00 am Liz Allen presents You and the Night and the Music (S).

RADIO 3
8.00 am News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 BBC Welsh Symphony Orchestra, Part 1: Mozart, Finzi (S). 12.05 pm Interval Reading. 12.10 Concert, part 2: Reger. 1.00 News. 1.05 Howard Shelley, piano recital (S). 2.00 The Music of Spain (S). 5.00 Mainly for Pleasure (S). 5.45 Critics' Forum. 6.35 The Iberian Organ (S). 7.15 Pedestrian (short story). 7.30 BBC Scottish Symphony Orchestra, part 1: Brahms (S). 8.20 Michael Drayton (anthology of his poetry). 8.40 BBC Scottish S.O., part 2: Beethoven (S). 9.35 Interpretations on Record (S). 10.25 A Landscape of Song (S). 11.15-11.18 News.

RADIO 4
7.00 am News. 7.10 Today's Papers. 7.15 On Your Farm. 7.45 In Perspective. 7.50 It's a Bargain. 7.55 Weather, travel; programme news. 8.00 News. 8.10 Today's Papers. 8.15 Sport on 4. 8.46 Yesterday in Parliament, including 8.57 Weather and Travel. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 Week in Westminster. 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Correspondent. 12.00 News. 12.02 pm Money Box. 12.27 I'm Sorry I Haven't a Clue (S). 12.55 Weather; programme news. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Thirty-Minute Theatre. 2.35 But Chancellor. 3.05 Wildlife. 3.30 Groundswell. 4.00 News. 4.02 International Assignment. 4.30 Does He Take Sugar? 5.00 Herbs, Useful Plants. 5.25 Week Ending (S). 5.50 Shipping Forecast. 5.55 Weather, travel, programme news. 6.00 News and Sports round-up. 6.25 Desert Island Discs (S). 7.20 Stop The Week with Robert Robinson (S). 8.00 Richard Baker (S). 8.30 Saturday-Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 Switzerland: The First Battle. 11.00 Lighten Our Darkness. 11.15 Stop The Week with Robert Robinson (S). 12.00 News.

BBC RADIO LONDON
7.32 am Good Fishing. 8.04 London Today. 8.33 The Magic Carpet Company. 9.03 Openings. 9.30 Corridors Of Power. 10.02 All That Jazz. 11.30 Robbie Vincent's Saturday Show. 2.02 pm Breakthrough. 3.30 The Great Composers. 5.30 Evening Star. 6.30 Radio Replies. 7.00 The Name Of The Game. 7.30 As Radio 1. 12.00-5.00 am Join Radio 2.

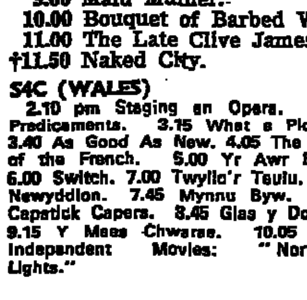
LONDON BROADCASTING
7.00 am AM with Magnus Carter and Jenny Lacey. 10.00 Jellybone with Clive Bull. 12.00 LBC Reports with Roz Morris. 1.00 pm Sportswatch with Dominic Allan. 8.00 LBC Reports with Roz Morris. 7.00 Geet Mala. 8.00 Network. 9.00 Hayes on Saturday. 10.00 Nightline with Phillip Hodson. 1.00 am Night Extra. 4.00 Travel '83. 4.30 Decision Makers.

SOLUTION AND WINNERS OF PUZZLE NO. 5,142

Mr David Norwood, Briar Cottage, Baydon, Marlborough, Wiltshire.

Mr G. Gedling, 27, Wallace Fields, Epsom, Surrey.

Mr F. C. Bryant, "Little Beck," Wootton Courtenay, Minehead, Somerset.



CHESS SOLUTIONS

Solution to Position No. 470

1 P-Q7 wins after 1 . . . B-B2! (not P-N7? 2 P=Q, P=Q; 3 Q-R5 mate); 2 KxB, P-N7; 3 P=N! P=Q; 4 N-B6 ch, K-R1; 5 B-N7 mate (an endgame by E. Pogojanz).

Solution to Problem No. 470

1 Q-R3 (threat 2 Q-QB5), QxR ch; 2 Q-B5, or if PxP; 2 QxQP, or if P-N5; 2 Q-QR5, or if N(N7)-K6; 2 R-Q2, or if N(B8)-K6; 2 R-Q1, or if P-K6; 2 R-QR4.

Edmund Dulac's diverse gifts

BY JUNE FIELD

Personal bookplate of the artist in "Edmund Dulac Illustrator and Designer 1882-1953 Centenary Exhibition" at the Geffrye Museum, Kingsland Road, London E2, until May 29

INTENDED for the drawing-room rather than the library, the lavishly produced "Gift Books" of the late-19th century were the coffee table publications of their time.

Nominally for children in that they usually had fairy tale themes, their appeal was more for those who, as Gleeson White wrote rather unkindly in *The Studio* 1887-88, "babble of Botticelli, and profess to disdain any picture not concerned with 'high art' mannerism."

Nevertheless, the production was generally a visual feast. Originally popular in the 1860s as a showcase for the new style of wood-engraved illustrations, with the advent of colour printing there was even more opportunity for artist and printer to show off their skills. The pictures were printed on glossy coated art paper, mounted on thick brown or blue card with protective tissues, then "tipped" in by hand on pages often decorated with ornamental borders.

The two grand masters of the gift book were Arthur Rackham (1867-1939) and Edmund Dulac (1882-1953). Rackham made his name when Heinemann produced, in rapid succession from 1905, his illustrations for general and de-luxe limited editions of classic children's tales such as Rip Van Winkle, Peter Pan, Alice, and so on. Not to be outdone, in 1907 Hodder and Stoughton commissioned Dulac to illustrate with 50 colour plates a new edition of *Stories from the Arabian Nights*, retold by Laurence Housman.

Edward Fitzgerald's translation of *The Rubaiyat of Omar Khayyam* made an ideal gift book. The illustrations in Dulac's version in 1909 evoke the gem-like qualities of a Persian miniature, particularly the one portraying "A flask of wine, a book of verse, and thou . . ." Both the man and the woman are exquisitely garbed in flowing jewel-studded silken robes, set against a background of swaying palms and a crescent moon in a deep blue sky.

Dulac was always credited as a great colourist. For him the sea off the coast of Sicily a few years later was "blue—the *only* blue, a blue to make you drunk." And a sunset was "so transparent that one thinks of molten precious stones: pinks, oranges, and blues seem to boil and sizzle around the icy opalescent white with the sea turning from emerald to milky purple."

The cancellation of his gift book contracts through World War I forced the French-born Dulac to diversify. (Settling in England in 1904, he was naturalised in 1912.)

This meant the production of posters (one for Poland in 1917), designs for the theatre (C. B. Cochrane and Sir Thomas Beecham), caricatures (of Arnold Bennett and Lloyd George), drawings of Lady Ottoline Morrell and Lytton Strachey and a portrait of Margot Asquith.

The "Society Portrait" was the most lucrative work he had ever done. Princess Alice of Monaco sent her god-daughter Vivien St George to him, and Madame Wellington Koo, wife of the Chinese Ambassador also sat for him. "A mere listing of the people whose portraits he painted or caricatured during the course of his amazing career would provide a concise guide to the Who's Who of the times," says Colin White, author of *Edmund Dulac* (Studio Vista 1976).

On the more ephemeral side were wallpaper patterns, playing card designs for De La Rue (fresh interpretations of the Jack, Queen and King), and postage stamps and bank notes for the Free French; these last at the personal request of General de Gaulle, who went to see Dulac at his cottage in Morcombelake, Dorset, where he lived with writer Helen Beauclerk, his model for most of the figures, both male and female, in his later drawings. (Dulac was married twice, first in France in 1903 to Alice de Marini, from whom he separated the same year, then in 1911 to Elsa Bignardi, from whom he parted in 1923 to live with Helen.)

All these aspects of his work, as well as his major watercolours, on loan from public and private collections, can be seen in a charming exhibition *Edmund Dulac 1882-1953*, which opened last week until May 29 at the Geffrye Museum, the handsome early 18th-century almshouses named for Sir Robert Geffrye, Lord Mayor of London in 1685, which became a museum in April 1914. Open Tuesday to Saturday 10-5, Sunday 2-5, closed Mondays, admission is free, and the tiny but informative illustrated catalogue is £1.25, including postage, from Rosamund Allwood, Geffrye Museum, Kingsland Road, E2.

In the introduction to the catalogue, James Hamilton, keeper of the Mappin Art Gallery, Sheffield, who organised the original centenary exhibition in Sheffield last November, which went on to the Bristol Museum, pays tribute to Dulac's meticulous technique.

"In designing his banknotes he covered hundreds of sheets of tracing paper with scrolls, whorls and grids, measured to the last millimetre."

In an interview in 1913 Dulac described how he built up his illustrations — by roughing out an idea on a sheet of tracing paper with a B pencil, and another and another, the paper being turned over from time to time to see whether the design did not look better from the other side. The figures were drawn to the required size separately: "A dozen rough sketches or so for each, this time with a BB pencil and traced over again until clean lines emerge from out of the chaos . . ."

Colin White also catalogues the artist's drive towards perfection. "Whatever interested him had to be explored to its ultimate end."

But perhaps the most pertinent observation on him came after his death through a heart attack after indulging a passion for flamenco dancing. R. H. Wilenski, The Times critic, referring to a visit to Dulac's studio, wrote that if he was not at work on one of his several professional activities, "you would find him making a nose flute, or binding a book, or cutting an intricate stencil, or modelling a rose in gesso for a tiny locket as a present to a friend."

A fitting tribute for the artist of such diverse talents who held a law degree from Toulouse University, transformed the Albert Hall into an Arabian Nights cavern for the 1929 *Chelsea Arts Ball*, designed the art deco Cathay lounge for the luxury liner The Empress of Britain, and who created the classic profile of King George VI which has since become part of an international visual language through its use on stamps and coins.

'Great Works of Genius'

STAMPS

JAMES MACKAY

AT THE 10th ordinary session in Brussels, the Plenary Assembly of the European Conference of Postal and Telecommunications Administrations — better known to collectors as CEPT—decided that the 1983 Europa stamps would have the theme of "Great Works of Human Genius."

With such a vague remit it is hardly surprising that the member countries have interpreted this as widely as possible. For the more materially developed and technically advanced countries the choice must have been exceedingly difficult. Some of the smaller countries have shown great ingenuity in keeping up with the big boys, but others have opted out of the usual run of science and invention and gone for more esoteric subjects.

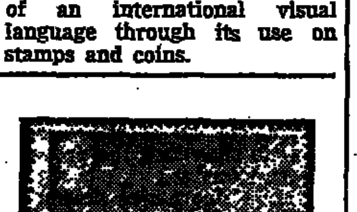
The result is a medley of stamps with little in common, other than the CEPT logo, but it is this very wide variety that gives the annual Europa issues so much charm and popular interest.

Predictably the British Post Office has used the occasion to beat the drum for the very latest technical achievements. The designs consist of photographs by Michael Taylor who is claimed, according to the official Press release, as "the first cameraman to see his work featured on a stamp issue on a subject outside royalty."

I am not sure what this means, but feel that it does less than justice to Bill Grout whose photographs have not only formed the basis of many stamp designs used by the Crown Agents over the past two decades, but also in recent years been modified by Mr Grout himself for direct reproduction as stamp designs.

The three stamps, to be released on May 25, feature the Humber Bridge (16p), at 1,410 metres the longest single-span bridge in the world, the Thames Flood Barrier (20½p), recently completed at Woolwich to protect London from the threat of flooding, and British Petroleum's support vesel *Iolair* (28p) which operates in the Forties Field and provides essential back-up services for oil rigs in all five British North Sea sectors.

For the Isle of Man there could only have been one choice—the Great Laxey Wheel, one of the finest examples of industrial archaeology in the British Isles and one of the largest water wheels in the world. Two extra long stamps, designed by John Nicholson, are being issued on May 18 and depict part of Robert Casement's original drawing of the *Lady Isabella Water Wheel* (10p) and a panoramic view of the wheel itself in its beautiful rural setting in Laxey Glen, with a portrait of Casement inset (20½p). Guernsey has adopted a similar approach, in a set of four stamps issued on March 14.



The subject of Clive Abbott's quartet is the harbour of St Peter Port and the stamps are arranged in two pairs showing views from the past, present and the future. The two 13p stamps show the harbour works in 1853 and the present day, while the 20p stamps show the original harbour of 1680 and a plan of the £12m scheme scheduled for completion in 1987.

Neighbouring Jersey has adopted a more abstract view of the CEPT theme and has concentrated instead on civilised government and the rule of law. Thus the pair of 11p stamps reproduce the 5s stamp of the 1969 series showing the Legislative Chamber, and the parliamentary mace respectively.

The Irish Republic, on the other hand, has embraced both schools of thought for its pair to be released on May 4. Louis le Brocquy contrasts the elaborate stone carving c 3000 BC in the burial chamber at Newtongrange (26p), with the hastily scribbled mathematical formula from Sir William Rowan Hamilton's pocket-book (29p), the basis for the theory of quaternions published in 1843.

Monaco has linked the theme to the bicentenary of manned flight which occurs later this year, and has featured a Montgolfier balloon (Fr 1.80) and the Space Shuttle (Fr 2.60), but France has kept aviation to a separate issue and concentrated on photography (Fr 1.80) and the cinema (Fr 2.60), in abstract motifs designed and engraved by Jacques Combet for release on April 29. Germany has selected the invention of printing from movable type and the discovery of electromagnetic waves for 60 and 80pf stamps on May 5.

Ernst Jünger's designs respectively show modern and Gutenberg letters and a resonant circuit or Hertzian doublet. Denmark's pair, released the same day, depicts outstanding examples of modern architecture and civil engineering, the Kildeskovshallen (Kr 2.50) and the Sallingsund Bridge (Kr 3.50). The Swiss pair highlight achievements of the 16th and 19th centuries—Jost Bürgi's mechanical celestial globe (40c) and Niklaus Riggenbach's rack and pinion railway (80c). Sweden's pair contrast the highly original but short-lived Ballet Suedois of the 1920s (Kr 1.65) with the prosaic patent specification for the sliding-jaw spanner invented by Johan Petter Johansson in 1892 (Kr 2.70).

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One step from Wembley: **Alan Forrest** on an FA Cup paradox

The men who made Brighton rock

NEARLY 30,000 Brightonians will erupt into London today to watch Brighton and Hove Albion play Sheffield Wednesday in the FA Cup Semi-Final at Highbury. It is the biggest-ever exodus from the precincts of Prinny's pavilion by the sea to watch a mere football match.

But Brighton are in with a chance of winning their first major trophy since 1910 when, still a minor league team, they sprang a surprise by beating Aston Villa in the FA Charity Shield.

It is an ironic position to be in. For Brighton could bring off one of the most bizarre doubles in soccer's history—win the FA Cup and be relegated to the Second Division. With only six League matches to go, they are in the bottom three.

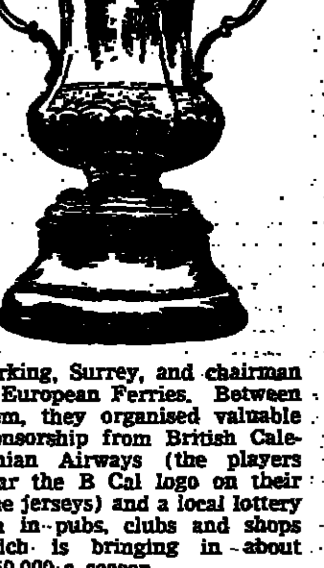
This is after a season of many successes. They knocked mighty Liverpool out of the Cup—at Anfield, too—and recently drew with the champions 2—2 at the Goldstone ground after leading 2—0 for three-quarters of the game. They recently beat Cup-holders Tottenham Hotspur in a home League match.

Whatever happens this season, Brighton look like a club determined to prosper. They have made the grade from a lowly Third Division place to the First Division in a five-year burst. They have had a series of managers — Brian Clough, Peter Taylor, Alan Mullery (who took them into Division I), George Bailey, and now ex-Liverpool player Jimmy Melia, who was formerly the club's chief scout.

Bailey went in favour of Melia because his defensive philosophy of football was said to have driven the crowds away, although his League record wasn't bad. One supporter told me after the recent Liverpool game: "If Bailey had stayed we'd be safe in the First Division but out of the Cup."

Melia's philosophy is attack and it has paid off in the Cup —and often in the League. But Brighton's success story really began in 1970 when Mike Bamber, a local property developer, joined the board. Bamber — "the classic whizz-kid" he has been called — is said to have an obsession with soccer and certainly has brought new ideas to a leisurely, coasting, unromantic Third Division club run then by what a lot of Brightonians refer to as "fuddy-duddies." In 1974 he became chairman and a property company called *Brighton Sports and Leisure* which takes in the football club was formed.

Bamber's co-directors include Keith Wickenden, Tory MP for Dorking, Surrey, and chairman of European Ferries. Between them, they organised valuable sponsorship from British Caledonian Airways (the players wear the B Cal logo on their blue jerseys) and a local lottery run in pubs, clubs and shops which is bringing in about £250,000 a season.



John Vinicombe, sports writer on the local evening paper, the Brighton Evening Argus, and a long-time follower of the club, says: "There's no doubt that if Mike Bamber hadn't arrived, Brighton would not be in the First Division. He has given the club hope."

Out in the streets of Brighton, opinions about Bamber vary. Veterans describe him as "too clever by half." But a lot of support has come to the club through his charisma — the dedicated football club chairman who spends hours a day in his office at the ground, the powder-blue Rolls-Royce and his home, The White House. "Well," said a man in a pub on the seafront, "Bambernomics haven't done badly for Brighton football."

The future is very much in Bamber's hands. Plans have been discussed and negotiated for a new £7m stadium complex (the present Goldstone ground, although pleasant, is still basically a Third Division stadium). The new plan envisages a 25,000 all seat, all under-cover football park with supermarkets, office blocks and so on.

The crowds at present seem to be coming back. The Liverpool match attracted 25,000 and Melia, after the game, said: "I wish we could play Liverpool eight times a year down here." But the irony is that if the worst happens in the League, Brighton are unlikely to play Liverpool at all next year.

Today at Highbury they have a chance of taking another step to a real place in the history of soccer. What will happen? Some Brightonians say the shadow of relegation will put them off, others say it will turn them on. Even a semi-final at Highbury is a long way from Wembley.

United and Wednesday, says Trevor Bailey

I EXPECT today's games to be hard, uncompromising battles, in which few prisoners are taken.

The best contest should be at Villa Park where Manchester United, the most accomplished team in the country after Liverpool, meet Arsenal, who looked sadly limited last week when beating an inept Coventry in an undistinguished game with an almost totally barren second half.

Admittedly O'Leary was missing from their back four, but their rearguard seemed to have lost that essential discipline and security. Manchester United would surely have punished harshly some of their fairly elementary mistakes.

Even though nothing is ever certain in football, especially ability — despite the absence of Muhren and Coppell — suggest that Manchester United will be making their second appearance at Wembley this year.

One of the great attractions of the FA Cup is its unpredictability which is underlined by the two teams in the other semi-final at Highbury. Brighton, in spite of improved performances recently under Jimmy Melia, are struggling to avoid relegation from what must be the weakest First Division for at least two decades.

After a promising start which suggested promotion, their opponents, Sheffield Wednesday have rarely seemed more than a workmanlike outfit with, as might be expected with Jackie Charlton as manager, a very compact defence.

Although one would normally expect a First Division side to beat a competent, but certainly not exceptional XI from the Second Division on a neutral ground, I fancy the Yorkshiremen to scrape home by the odd goal, possibly after a replay.

Ben Wright looks at the amazing Ballesteros

Why Seve is so good and so bad

WHEN THE LEGENDARY Bobby Jones and the renowned Scottish golf course architect Dr Alister Mackenzie were designing Augusta national golf club in the 1920s they opted for very wide fairways, almost no rough, and greens whose speed would be as lightning fast as their contours would be severe.

The idea was that there should be just one area on each fairway that should be hit to simplify the approach shot. The player could blast away wildly from the tee, but only the correctly-placed drive would yield the best opportunity to create a birdie.

Patience and care was intended to be very necessary in a winner.

Ben Hogan, who won the Masters Tournament in 1951 and 1953, played with such clinical and thoughtful precision that he would even purposefully play short of the 18th green rather than risk finishing above the hole on a putting surface whose slope down from back to front was so pronounced it was easy to putt clean off it.

Similarly Jack Nicklaus, Masters champion in 1963, 1965, 1966, 1972 and 1975, combined his immense strength with a velvet touch and computer-sharp intelligence to out think the golf course.

But Arnold Palmer, winner in 1958, 1960, 1962 and 1964 and Spain's Seve Ballesteros, winner in 1980, and again last Monday —both times by a four-stroke margin—broke the mould.

Palmer was the blue-collar worker from a Pennsylvania steel town who took the course and the opposition by the scruff of the neck and wrestled them to their knees by brute strength and force of character. Ballesteros, the son of a peasant farmer with the looks of a matinee idol, communicates much of Palmer's charismatic excitement and joyous attacking abandon.

But his power is more aesthetic then purely violent, and it is allied to a surgeon's touch. Of course, Ballesteros is a wild driver, just as was Palmer in his hey day. But whereas "Arnie's Army" would exalt as their leader savaged his way out of the bushes—as he did en route to his first open championship victory at Royal Birkdale in 1961—Ballesteros has such God-given flair, imagination and feel for the game that he is capable of fashioning shots that are beyond the powers of even his closest rivals.

For instance on Monday afternoon, Ballesteros drew a 245 yds four-wood second shot round the trees from a downhill lie at the 550 yds second hole that stopped on a green sloping away from him some 15 ft from the hole.

He holed the putt for a eagle three. And as the joint runner-up Tom Kite told me later: "Stopping a hooked four-wood shot from a downhill lie is a stroke that is not in my bag."

Ben Crenshaw, who tied for second with Kite, paid a similarly moving tribute to the 26-year-old Spaniard. "Seve is the complete, natural golfer. He has all the shots we have, but he also has the imagination to invent shots that we just don't know about.

"He must have been born with a golf club in his hands. He excites everyone who sees him, including myself. I wish he would come to play fulltime in America."

That is unlikely at the moment since Ballesteros still enjoys his role as the international golfer, having won 30 events in 12 different countries. But he appreciates that if he is to be mentioned in the same breath as Nicklaus he must eventually take on the Americans on their home turf.

The growing flock of agents who market top-class professional sportsmen, and relentlessly parly their charges to multi-millionaire status, are tripping over each other to get their hands on the glamorous Ballesteros, as one might expect since Seve recently parted company with his California-based agent Ed Barner. At present his affairs are being handled by a friend who works for Iberia Airlines.

Having been persuaded to become involved in an abortive, and in my opinion totally misguided campaign to force apparently every sponsor outside America to pay him vast sums of appearance money, I feel Ballesteros is suspicious of agents, and this is a major factor in his reluctance to settle down on the American tour.

Nor does he enjoy universal popularity with American golfers. When Seve burst on the international scene as a teenager his knowledge of the rules was sketchy, to say the least. After some acrimonious arguments with several American players who accused him of rule infractions, the inexperienced Ballesteros was very unfairly branded as a cheat by many of them.

While there are many like the admirable Crenshaw who respect and admire Ballesteros for his genius, there are many more whose jealousy of him is so intense as to be almost tangible.

But it is also my opinion that Seve can, and has already turned this to his advantage. Since he has the golfing world at his feet one can only hope that he will resist the temptation to kick it away as did Europe's last genuine world-class superstar, Tony Jacklin.

John Barrett reports on the international squash boom

Enter the angry young women

THERE WAS an unmistakable feeling of enthusiasm in the air on Thursday at the Davies and Tate sponsored British Open Squash finals at the Assembly Rooms, Derby—a bullish belief that international squash was poised on the brink of an exciting expansion as a spectator sport.

This confidence was certainly not based upon the two predictable finals in which defending champions Vicki Cardwell, a 27-year-old Australian and the 19-year-old world number one Jahangir Khan of Pakistan retained their titles with relative ease.

In fact many spectators might have been turned off squash by Miss Cardwell's belligerent attitude and frequent displays of bad temper as she repeated last year's victory over 19-year-old Lisa Opie of Nottingham 9-10, 9-6, 9-4, 9-4, in 87 minutes.

Regrettably Miss Opie responded in kind and on the final point released her racquet heavenwards and yelled a four letter expletive that somehow is never as attractive in English as its French equivalent "merde."

Jahangir's 9-2, 9-5, 9-1 destruction of the 27-year-old Egyptian Gamal Awad in 78 minutes was merciless in its efficiency and merciful in its brevity. Two weeks ago their Chichester final lasted two hours 45 minutes.

However, behind the scenes this week there has been much debate about the game's structure. The Squash Rackets Association, the women's body, the independent promoters and ISPA, the players' association, all recognise that the rules must be modified to shorten matches and encourage positive play though as Bob Morris of the SRA remarked ". . . but we must be careful not to be so extreme as to ruin the game for the ordinary club player."

A change though, is essential in professional tournaments if the television companies are to be persuaded that the game has popular appeal beyond the 2.8m known players in Britain. Without television there can be no major tournament sponsorship and no expansion.

Anglia TV's coverage of Mike Palmer's Supasquash last October in Welwyn in which each match consisted of two 10-minute games scored the Australian way with every point counting and with a three point tie-break at game all, was the first public experiment and was a qualified success.

Even without the advantage of four transparent walls producer Len Caynes was enthusiastic. "The time limit forced players to go for winners and we had some exciting climaxes. Also we proved that the hoary old argument that you cannot follow the ball is nonsense. More importantly we knew roughly how long the matches would last and so could plan our programme times."

Bob Gardham of TV South who covered the 2½-hour Chichester final played on the same Safe-Screen court with four perspex walls as used at Derby, is equally confident that the technical difficulties have been overcome.

"We could see the ball clearly especially through the front wall," he says. "The nicest shot was through the side wall — it conveyed the speed and agility. Also I could cut 180 per cent from front wall to back wall without the viewers becoming disorientated — something you cannot do in other sports with larger arenas."

Another experiment will take place at the French Open next month when a blue floor and a white ball will be used on the Twin-Vue Portables court that will have all four walls in glass for the first time. Fortunately this is being televised so that comparisons can be drawn.

The first three-wall plastic court was Swedish-made and appeared at Chichester in March 1982. This is now being improved and will be competing with the other two.

On Monday a major announcement from the British Squash Promoters Association will disclose ambitious plans for World Championship Squash—a circuit of 10 major new tournaments planned in co-operation with overseas promoters.

The International Squash Rackets Federation will shortly announce the 1983-84 calendar of 17 grade one to six tournaments and another 10 grade 7 events ranging in prize money from £30,000 to £600. These tournaments are all approved by ISPA whose 100 or so members recognised the need to be well organised.

The £35,000 ISPA championships to be played in Munich next September is their main event but their greatest contribution to order is their ranking list which is up dated after each tournament and becomes the basis of entry for all major events.

What they should now do is to find a sponsor for a points linked Grand Prix competition which would unite all professional tournaments.

If all these developments do result in a major growth for professional squash the shrewdest investment may prove to have been Phil Davies's £100,000 backing of the British Open this year and next.

Davies and Tate the Eastbourne-based window replacement company, have doubled their turnover every year since 1979 and are now an £8.5m group. "We are going national soon," says Mr Davies, "and would naturally hope the Open will be televised nationally next year. The sport deserves to become a spectator sport in its own right."

With all the interest that is growing around the world—in Canada for instance there are 400,000 soft ball players and even in the U.S. there is at last a sign of a swing to the international game from the faster American version. With Europe already awakening and a thriving professional game in Australia and South Africa the time is ripe for a major advance.

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Challenging management

SAILORS in a storm will do what they are told, even by a Captain Bligh; it is when the weather turns fair that they have the freedom and the courage to discuss possible mutiny. Reminders of that paradoxical but healthy truth have recently been breaking out both in the industrial and the political worlds. Those managements that survive the challenge may well benefit from their fright.

In the City of London, the mechanism is simple and entirely reliable: bull markets carry the shares of the best-managed companies to heights which simply beg to be exploited by way of takeover bids. These episodes cannot last indefinitely, because in the excitement of a bid season the prices of potential victims, with less impressive managements, are themselves pushed up to a level which may repel attention; and this is just as well.

Effective

An occasional bad fright concentrates minds wonderfully, but a permanent regime of potential takeover becomes paralysing. Companies dare not engage in long-term projects for fear of the transitional effect on the profit and loss account.

At the moment, though, the fever is still rising; and it is worth wondering whether the drama of bid and defence is really the best way we can devise to keep managements on their toes. It can certainly be highly effective: Courtaulds is only the most notable of a long line of companies which seem to have gained a permanent transfusion of energy and effectiveness from a hard-fought defence.

Consummated bids, on the other hand, have not had generally impressive results, as one study after another has shown. Between the extremes of a GEC at one end, which has prospered in markets in which even German rivals have suffered near-fatal setbacks, and a Dunlop-Pirelli, a partnership which was finally dissolved with much relief by two weakened enterprises, most mergers seem to make little detectable difference.

Sometimes the acquiring company is carried away with its own ambitions and takes on challenges which it has neither the management resources nor the experience to meet. Sometimes, too, the management upheavals resulting from the merger can have a damaging effect on both businesses.

Proxy-fodder

We stick to the system, though, for lack of any effective alternative to discipline management. In theory, managements are answerable from year to year to their shareholders; in practice, the shareholders seldom ask any awkward questions. Buttressed by docile proxy-fodder, and too often entrenched behind service contracts which can only be bought out at ruinous cost, some managements survive their own torpor or incompetence for far too long. Any reader will be able to supply his own names to illustrate this paragraph.

The investment institutions, it is true, have been becoming steadily more active in recent years, under constant nagging from the Bank of England, the press, and a whole series of outside studies. One or two of them have had particularly sharp things to say about service contracts and golden handshakes.

As the UDS and Woolworth affairs have shown, the institutions are now prepared to take on a more entrepreneurial role, helping new management in attempts to take control of assets that are poorly utilised. The big insurance companies and pension funds are taking their responsibilities as owners more seriously.

All the same, we have a very long way to go before we reach the situation in Germany, where the industrial banks routinely impose drastic changes in management in any company which is performing weakly, however illustrious their past achievements. We should go further in this direction. The rewards of corporate leadership are high; the risks should be commensurate.

Shareholders large and small should remember that they share with satirists the duty to scatter tintacks on the seats of the mighty; and too much padding by way of protective contracts might be better limited by code, or even by legislation.

Remote

Shareholders and bidders are not the only people who get frisky in the economic spring. The apparent return of the bad old days at Cowley is a reminder not to pin to much hope on a Thatcher revolution in labour relations.

The car workers' leaders complain of over-authoritarian management; if this complaint is justified, and the ultimate settlement produces a more responsive style, some good may emerge. Cowley has after all been complaining of remoteness from central management ever since the original BMC merger nearly 30 years ago.

It is hard to see any silver lining to the present dispute at *GEC-Hitachi in Wales*, *on the* other hand. The workers are resisting a third year of frozen wages; the management complains of continuing losses. Even in a reviving economy, survival remains a desperate struggle for too much of British industry.

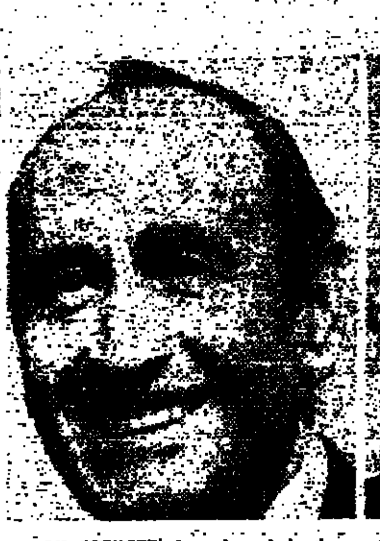
Finally, it seems possible that in politics too strong management is most attractive when times are blackest. It may seem like rank ingratitude that rising economic confidence should appear, from one poll at least, to benefit the Opposition rather than the Government, but it is not altogether surprising. With a less unequal balance between the major parties, we may be in for a feverish political summer.

RALPH HALPERN: Snappily dressed and fast talking. Halpern has been with the Burton store group for over 20 years, chief executive for the past eight years and chairman since August 1981. Focus of a sharp shareholders' row over directors' housing arrangements early last year.

GERALD RONSON: A millionaire since he was 26 after taking his father's small furniture business into property. Now, at 43, his privately-owned Heron Corporation embraces property, construction and service stations. Most spectacular deal: the acquisition of land in Tucson from the Howard Hughes estate. Biggest failure: the bid for Associated Communications Corporation.

SIR JAMES HANSON: Tall, elegant, spends much of his time in North America. Distance and Sir James's recent major operation never disrupted the smooth flow of Hanson Trust's internal communications during the tortuous deal. Once associated with, but never reliant on, Jim Slater. Rarely loses a bid target. Looks considerably younger than his 61 years.

SIR ROBERT CLARK: a director of the Bank of England and a powerful City figure. Chairman of Hill Samuel since 1974. Previously a partner with a leading firm of corporate lawyers and, for many years, regarded as mentor of Gerald Ronson. Will be 60 next January. Among many recent deals, Sir Robert helped Robert Maxwell acquire British Printing Corporation.



CYRIL SPENCER: An acknowledged retailing expert, 58-year-old Spencer married into the Even's Outsize family, built the business up before selling out to Burton in the early 1970s. Reached the top of Burton before losing a bitter power struggle to Ralph Halpern, chief executive of Burton.

STUART LYONS: elder of the current generation of the UDS founding family. As introverted as Ronson and Halpern are extrovert, Lyons has been chief executive of UDS for five years. Aged 40, Lyons, a classical scholar, finds relaxation in the study of Mandarin Chinese.

The Lyons fight to the end

By Ray Maughan and Barry Riley

THE dynasty which for so long has controlled the embattled stores empire UDS Group showed defiantly this week that it is prepared to go down fighting.

First the executive directors publicly split with two outside board representatives, including the chairman Sir Robert Clark, and recommended the *lower* of two bids on the table, from the Bassishaw consortium rather than Hanson Trust. Then, late on Thursday, they sacked Hill Samuel, their longstanding merchant bank advisers, in favour of Charterhouse Japhet.

These twists come after a bewildering three-and-a-half months of bid, counterbid and intrigue, closely involving three major companies other than UDS, half-a-dozen of the City's leading merchant banks, and many of the country's biggest institutional investors.

The origins of the affair lie considerably further in the past. The Lyons family, who began to assemble the business over 100 years ago, had run UDS like a fiefdom. But by the late 1970s the group which by then included several household names including Richard Shops, John Collier and a dozen department stores, was visibly flagging.

Institutional shareholders were not impressed when the family reduced its stake—which is now less than 1 per cent of the equity—soon after the £35m rights issue in 1979. By that time UDS had only 14,000 employees, about half the number of a decade before.

In retrospect it can be seen that the family's fate was sealed a year ago when the dividend was sharply cut after a profits slump. But Mr Bernard Lyons, the chairman, seemed determined to cling to power to protect his sons Stuart (the chief executive) and Robert.

The big institutional shareholders had already been monitoring UDS's decline for some time. For some major funds, such as the Prudential, the answer was to make changes to the existing board. Appoint some new directors, UDS was told. Sir Robert Clark, chairman of Hill Samuel and a long standing adviser to the group, was the UDS choice of newcomer. The Pru welcomed the choice and within days of the dividend disappointment, Sir Robert was in the boardroom.

Other institutions were to adopt a different tack. Waiting in the wings and quietly amassing a stake in UDS was an aggressive entrepreneur around whom many of the funds were to gather.

Mr Gerald Ronson and his privately owned Heron Corporation was to become the driving force for the Bassishaw Consortium, a purpose-built group formed with a UDS bid in mind. Mr Ronson disclosed last summer that he had just over 5 per cent and from that moment on the clouds threatening UDS, continued independence darkened perceptibly. Mr Cyril Spencer, lately discarded by Burton Group, was recruited to the consortium Heron was beginning to put together with Mr Hugh Jenkins, investment manager of the National Coal Board Staff Superannuation Fund, or Hugh the Coal as he's often known.

Bassishaw's opener was seen as a potential knock-out

Other major funds joined the trio last autumn and by the turn of the year, Bassishaw Investments was ready — with £135m of its own capital and a major loan from Barclays Bank —to bid £191m in cash, or 100p per share, for the stores group.

But another ambitious retailer, destined to play a pivotal role in the course of the bids, was already making a pitch for some of UDS's key assets. Mr Ralph Halpern, head of Burton, went last summer to UDS's then chairman, Mr Bernard Lyons, to see if UDS would sell the Richard Shops and John Collier operations.

Eventually, Mr Stuart Lyons, the older son and chief executive, and Sir Robert decided that UDS needed to get into better shape before selling any principal asset. Burton's proposals were shelved for the time being.

On the first working day of the New Year, Bassishaw launched its cash only terms. Sir Robert, as arranged with the Pru earlier, had replaced Mr Bernard Lyons, on January 1, and was sitting at the head of the UDS boardroom table for the first time.

Next day, the UDS board held a council of war. "I asked what are the cards we've got?" The short answer was that UDS had very few. After the dismal profits showing of the previous three years, Sir Robert knew, "we couldn't play the management card." Time was tight; after the seventh day of the bid, Bassishaw was free under the terms of the Takeover Code to buy UDS shares in the market and UDS was only too well aware that its share price was obstinately stuck under 100p.

At that point, Bassishaw's opener was seen as a potential knock-out. UDS's assets were worth far, far more than 100p but a full revaluation would take time; even a profit forecast for the financial year which was due to end that month would take precious days to prepare.

Sir Robert played for time, and won it. He admits now that he laid a deliberate smokescreen; UDS, he said, would demerge the properties which it lets to other tenants. Almost £20m of properties were, in fact, sold to the Courtaulds Pension Fund, but that was considerably later. All UDS was trying to do at that moment was to show that the properties were valuable.

Mr Halpern was ski-ing over the New Year but constant contact with S. G. Warburg, Burton's merchant bank and Mr Michael Wood, the finance director, brought him quickly back to the UK.

By Sunday 23rd January, Burton and UDS were negotiating in earnest on the sixth floor of Hill Samuel's City offices. After some haggling, a price of £78m for the two multiple chains was struck early in February.

That deal never saw the light of day and if Burton is to get the two companies it prizes it will almost certainly have to negotiate afresh with Hanson Trust, if it wins. "It will be like going over Bechers' Brook twice". Mr Wood says.

In the meantime, Bassishaw was making the first of three tactical errors. It ran foul of the Takeover Panel when it attempted to use votes attached to shareholdings committed to it after the bid had been launched. It wanted to use these votes to block the proposed sale to Burton. The result of the Panel's intervention was a week's delay in posting the consortium's revised formal offer document and more time wasted before Bassishaw's brokers could buy UDS shares

UDS used the time to put out its profit forecast of £22.2m against £13.7m pre-tax and a revaluation showing net assets of 140p, excluding the businesses to be acquired by Burton. To Sir Robert's intense relief, the UDS share price started to move above 100p.

But Bassishaw was to pitch again on February 15 and this time the defence reached a watershed. The consortium offered 114p and Sir Robert knew "we had to do something else to get up to 114p. We could accept, we could try and get something more out of Bassishaw in return for our recommendation, we could fight on or we could change the management."

The UDS chairman had tried the "management card" the day before. He had lined up Mr Tom McAuliffe, a successful head of the Argos catalogue retail chain who had recently resigned after a short, unhappy spell with Littlewoods. Sir Robert asked for Mr Stuart Lyons' resignation which was refused.

The proposed appointment of Mr McAuliffe as chief executive was later turned down after an interview with a board committee. It was becoming probable that UDS would have to treat with Bassishaw. The 24 hours after the consortium's second bid tell a story of seemingly endless comings and goings in the third of a mile or so which separates Hill Samuel's Wood Street offices and N. M. Rothschild, one of Bassishaw's merchant banks, near Cannon Street.

At the end of this bout of haggling, Bassishaw had found another 1p per share by splitting the saving of stamp duty and had given firm assurances on business development and staff security. That was February 16. The defence seemed to have reached the end of the road. But events proved otherwise.

Hill Samuel suspected that Bassishaw was preparing to raid UDS shares the next day. Hanson Trust smelt a raid too, somehow the consortium's plans had leaked too far. That, in retrospect, was the second mistake.

Hanson Trust's response was immediate. At 5.15 pm on the 16th a long UDS board meeting was broken by a call. Would Sir Robert come to the telephone. It was Sir James Hanson, who said he would bid 125p per share provided the board recommended those terms. The UDS board "thought it was a tremendous triumph, they couldn't get their hands in the air fast enough," Sir Robert recalls.

Hanson came out the next day with an offer of five of its own shares for every eight UDS shares. That clearly left Bassishaw with a great deal to think about and it may say something about the handicap a committee struggles under when fighting a contested bid that Mr Ronson was not able to respond until the morning of March 23, more than a month later.

Whatever happens, Mr Ronson stands to make a profit

It offered 130p, once more in cash only, which would be the final increase. Was that the third error? It was obvious that the institutions had reached a set financial limit. (One of the major funds had dropped out.) But was it necessary to tell Sir James Hanson so categorically that from that moment onwards he had all the scope and space he needed to outmanoeuvre Mr Ronson and the institutions?

Within hours, Hanson Trust was back with another 20p per share in cash.

However, serious differences in the UDS board were now coming to the surface. Despite the obvious feelings aroused by Sir Robert's blunt demand for Mr Stuart Lyons' resignation, the chairman had somehow carried a unanimous board with him until Bassishaw's 130p per share appeared.

At this point, the executive directors of UDS turned into open revolt against the institutional representatives who had been imposed upon them. Sir Robert and his colleague Mr David Jessel, of Eagle Star, became isolated.

Burton, which had been welcomed so warmly at the outset when Mr Ronson, as Sir Robert says, seemed to have "a tail and two horns," suddenly seemed to present by far the greater danger. If Hanson succeeds, Mr Halpern has a chance of striking the deal for the two multiple chains he covets. UDS is fearful of the changes he might put in train.

But a continuing role for Richard Shops and John Collier, under the guidance of the recently recruited Mr Spencer, has been a central plank of the Bassishaw strategy. And the involvement of nationalised industry pension funds is seen as a protection against major redundancies.

The six executive UDS directors have therefore swung round behind Bassishaw and, to do so, have invoked a clause in the 1980 Companies Act. Until that legislation was passed, the legality of any advice by the directors to shareholders to accept a clearly lower bid would have been doubtful. Section 46 of the Act, however, requires directors to have regard to "the interests of the company's employees in general as well as the interests of its members."

So whereas Lyons camp at one stage recommended Hanson, they are now urging shareholders' support for a bid which is clearly 3½p lower than Hanson's cash terms and some 10p lower in terms of Hanson's paper.

Few in the City of London, however, believe that shareholders will take much notice of this. So, the Bassishaw consortium will retire defeated but not quite empty-handed.

For Mr Ronson stands to make a handsome profit on his initial buying price of 58p per UDS share. And all the various investment institutions will be able to boast that their schemes to unlock the true value of UDS have proved successful — although hardly in the manner that they originally intended. But for the Lyons the story will be over.

Letters to the Editor

Tax deductible

From Mr A. Hummel

Sir,—Mr Kinnear's proposals (April 8) to make the employment of labour tax deductible for the individual would go further towards solving a multitude of our economic problems than all the measures put together by various Governments over the years.

It would virtually eliminate the black economy because one man's tax relief would be another's taxable income. The increase in the Government's tax take resulting from tapping the black economy would very probably more than compensate for the loss in revenue from granting the tax relief. If it did then overall taxation could be reduced. This method of tackling the black economy would require no extra Inland Revenue staff since everyone has to fill in an income-tax form anyway.

It would encourage specialisation of the working population as a whole. As a standard rate taxpayer I have to earn at least an extra £1.43 in order to pay, say, a painter £1.00 to paint my house. If the painter is VAT registered, the gap widens still further to +64 per cent. If, on the other hand, I only have to earn an extra £1.00 in order to pay the painter £1.00, then I will more likely do what I am better at because like that I spend less time working.

It would lead to a massive development of the service sector and a consequent massive fall in unemployment.

At present, ever-larger numbers are taking to DIY not because they like it but because they cannot afford to pay tradesmen out of after-tax income. If people do what they like doing, which is usually what they are best at, which is generally where they earn most money before tax, then the country as a whole must benefit.

The boom in DIY over the past five years has been accompanied by a dramatic slump in the small builders' trade. As a result, they have been taking on no apprentices, which in a few years will result in an even bigger shortage of skilled tradesmen. Those that are left will command a still higher rate than today which no doubt will mean still more DIY. We will then be still more a nation of fudgers and bodgers than we are today. Is that what we want?

All these advantages from such a simple tax reform. Why are all our politicians from all political parties too scared to give it a try?

Antony P. Hummel.
2a, Bridge Square, Farnham, Surrey.

Rates

From Mr J. Critchley

Sir,—Mr Goch's comments (April 5) on the problems of the local rating system deserve further comment.

He questions the desirability of the need to reform how local taxation is levied, prefering to concentrate the attention of the Government on controlling manpower *and, so, overall costs*. His conclusion only holds good when he is satisfied that the burden of local taxation is fairly distributed between people in the local community.

Clearly this is not the case, as he raises by mentioning houses of multi-occupation and other problems can be pointed to. Not at least among these is the burden placed on the local business community, especially the smaller business community, by local rates. Rate poundage figures are not only high in many parts of the country they are collected against the notional rental valuations of business property which does not reflect the capital of the business. In addition, large differences in rate levels nationwide permanently disadvantage some firms selling in a national market, although the costs of re-location are equally high. They can even disadvantage those competing for a small city-wide market yet located in a high spending borough.

Hence, although the association too would not advocate that the Government relax its watch on local authority spending, the way local taxation is levied must still be reviewed as well due to its distributional effects. The local tax base must be widened by a local income tax and the business rate poundage set nationally against capital valuations. In the meantime it would be best to de-rate industrial property rather than abolish the national income surcharge.

John Critchley,
Taxation Committee,
Association of Independent Businesses.
Trowbray House,
108 Weston Street, SE1.

Reform

From Mr D. Franklin.

Sir,—The report that the Prime Minister favours a sales tax to replace rates fully justifees the dismay and despair of your contributors to your columns. Although the Green Paper dealt only with domestic rates it said "a sales tax would not necessarily be paid by those living in the area with the result that local accountability would not be complete." The paper continues "the effectiveness of all measures depend on local government authorities' own sense of responsibility towards their ratepayers and should be designed to increase electors' awareness of the activities of their councils."

A local income tax paid by all voters would make them question Greater London Council's "stark choice of either rate increases or cuts in vital services." No ratepayer would pay his taxes enthusiastically towards the purchase of a £3.5m car park which is an annual £600,000 lossmaker and has just been bought by GLC from Southwark Council. Ratepayers' money is financing GLC's grandiose advertising in the Press and on billboards which proclaim that "is working for London." It is certainly increasing its staff which now accounts for £228m or 14 per cent of its gross expenditure. Staff numbers, however, understate by at least 2,000 the number of posts *paid for by the council's rate*payers as the number of people receiving a salary through the council's grants programme of £34m will not appear on any official manpower estimates.

Local government in Britain is unaccountable as local rates contribute little of local expenditure and as only 13m out of nearly 31.3m voters pay rates. A sales tax will not alter this situation and only when voters have to fund local expenditure by a local income tax will they elect councillors who are able to differentiate between local government providing services, and services which are vital being provided.

D. G. Franklin.
121 Kennington Road,
SE11.

Mail

From Mr G. Gaethofs

Sir,—On March 31, you had a small item in the "News Summary" that has drawn my attention. With the title "Slow Soviet post" you mentioned that the Literaturnaya Gazeta newspaper said "that the Soviet postal system is less efficient than 100 years ago and that Leningrad-Moscow letters could be delayed a week and letters from Siberia took seven days."

Allow me to say that this is better than the U.S. mails are doing today. Airmail letters from New York to the Continent (Brussels) average eight to nine days. (A jet plane takes six hours). True, a letter took 11 to 12 days two to three years ago, so they have improved! I also understand that a letter Lost Angeles-New York takes a week. Both distances are shorter than Siberia-Moscow, I'm sure. Tokyo-Brussels letters, also a greater distance than New York - Brussels, average three to five days.

Complaints to many organisations have lead to nothing but kind replies with promises. It has been proven that the delays are caused in the U.S. not in Brussels.

Americans will all complain about this but they say that it's like trying to change the weather, i.e., the U.S. Post Office is hopeless. Yet, when I was regularly staying in the U.S. during the 1950s, before automation and jets, we would receive our airmail letters from Brussels regularly in three to five days. Why is this not possible today?

G. Gaethofs.
Advance Products N.V.,
Pierstraat 12,
B-2630 Aartselaar,
Belgium

Franking

From Mr T. Dash.

Sir,—Mr Layton's problem (April 6) of understamped airmail is not confined to UK-to-U.S. postage.

I have experienced similar problems, correspondence from British firms often takes months to arrive because it is understamped and/or not marked "airmail," while that from the U.S. because it must be correctly stamped, or it is returned, arrives within a few days.

I spent two years trying to get my (now ex) UK bank to look before it franked, but to no avail. I now can look forward to the eventual arrival of missing cheque books, cash cards and statements presumably sent by tanker via the Cape of Good Hope and Mozambique channel. From the time it takes it could well be that it has also done a couple of trips to Venezuela first.

Last year I received a county court judgment against me, followed two weeks later by a summons, followed two weeks later by a rate demand. These having taken three, four and seven months respectively to reach me, being stamped 15½p. Although the matter was sorted *out it was annoying to find* judgment had been given before I had even been informed what was due.

It should no longer be assumed that if a letter is not stamped and marked "airmail" then surface mail is intended, in 99 per cent of cases it will be a mistake. It would therefore be far better for the Post Office to return to sender. This would not have been difficult in any of the above cases as they all had the senders name and address printed on the envelope.

T. Dash.
The Military Hospital,
Box 7897, Riyadh,
Kingdom of Saudi Arabia.

Management

From the Marketing Director Europe, NDC International

Sir, — Alan Cane in his interesting article entitled "U.S. banks lead the way" on bank automated cash management systems in your electronics in banking supplement (March 30) misinterpreted the reason for NatWest not rushing to the market with a standard cash management service.

It was determined—and NDC as its supplier knows how determined — to offer a custom-built unique cash management service finely tuned to the needs of UK and European corporate treasurers which built on the strengths and speed of its own clearings. Until such a service was ready it refused to go to the market place. The service it now offers — the available funds reporter service — is a truly European cash management service showing a corporation its available funds.

This service was certainly not released prematurely, as Alan Cane suggests. Indeed, the timing of such a service which brings together for the first time the best of proven U.S. cash management systems with the best of European cash management systems can only be excellent.

The quality of the service can be seen by the work the other clearing banks are having to carry out to catch up with NatWest.

J. M. Large.
64, London Wall, EC2.

Arthur Sandles reports on the health of the UK film industry following Gandhi's triumph in the U.S. Academy awards

Why the Oscars are not enough

"SURELY NOW," says Mr Mamoun Hassan, chief executive of the British National Film Finance Corporation, "the British Government must see there is a great deal of talent worth supporting here."

The words—and the frustration they imply—followed the award of eight U.S. Academy Oscars to the film Gandhi. The night of the awards was one of champagne and celebration for the British film business. But, by coincidence, the very next morning saw a visit by a delegation from that same film business to the Minister in charge of the industry, Mr Iain Sproat, seeking aid.

Nevertheless, the success with the Oscars is a huge morale and cash booster for UK film-making.

For Gandhi's backers alone, the wins might be expected to add 20-25 per cent to their revenues. But the film was already a giant money spinner by any standards. Even before the Hollywood triumph it had been estimated that Gandhi would net \$60m in rental revenue from the cinemas showing it.

Impressive as all this might seem, however, perhaps the most significant little cameo was played out earlier in the month when Lord (Lew) Grade, in his role as chairman and chief executive of Embassy Communications International, bought the U.S. and Canadian television and cable rights for the film. All lips are sealed, but \$20m is the reported sum paid by Embassy who must give Gandhi's backers, Goldcrest, a clear cinematic run until the summer of 1984 before showing the film on the small screen. That one deal more than repaid the production costs of the film.

Lord Grade, in his flamboyant way, has been variously quoted as calling the fee "exorbitant" and "astronomical" but since he is the one signing the cheque it must be assumed that he expects U.S. viewers to be so eager to see the film that his own returns will be even more spectacular. Lord Grade negotiated the deal with Goldcrest's chief executive, Mr Jake Eberts, and the film's director, Sir Richard Attenborough. The talks must have been awash with emotional cross currents. Lord Grade, after all, was himself once hailed as the saviour of the

Making Gandhi was a considerable financial risk

British film business, only for those high hopes to founder with the film Raise the Titanic.

There was more than one point during the making of Gandhi that the film was regarded as Goldcrest's Titanic. It was, no one would deny, a considerable risk.

Goldcrest, a subsidiary of Pearson Longman and a sister company of the Financial Times, emerged out of the making of the film Watership Down, an Eberts project in which Pearson Longman had a stake. The success of this formation led in 1977 to the formation of Goldcrest under the leadership of Eberts, a slim, eager, former chemical engineer.

The now-forgotten problems for Gandhi came when a financial package involving several investors fell apart. Not everyone thought that a British film about an Indian statesman would prove a success in the suburban cinemas of Albany and Albuquerque.

Goldcrest and the parent board had to decide whether to go on — its only remaining partner being the Indian Government. Mr James Lee, the Pearson Longman chief executive claims there was confidence about the decision throughout.

Sir Richard Attenborough, director of Gandhi.

Goldcrest Films put up 60 per cent of the \$22m it took to make Gandhi, the rest of the backing coming from the Indian Government. The film will probably now take \$100-\$180m at the international box office and a further \$20-\$24m could come from television sales. The revenue from cassettes and discs is at the moment unpredictable.

The distributors will take \$50-\$90m of that, but they have to meet the costs of advertising the film and making additional prints, which will come to some \$25-\$30m.

In the end, \$40m-\$60m should beleft to the investors, some of which will go to the director of Gandhi and the artists who appeared in the film.

For Goldcrest, however, there are even more important aspects. It needs an image of successful quality from which to launch its other projects. It backed last year's Oscar winner, Chariots of Fire, in its early stages and the image building that did was extremely useful in a business which might otherwise have asked Gold Who?

Goldcrest is a substantial maker of television productions, including work for Channel Four.

"In the U.S. when we are selling it is much easier to get your foot in the door when they know that you are the company behind Chariots of Fire," says Mr Lee. "It helps in the selling of less exotic fare."

This, plus the cash that is now flowing, means that Goldcrest will be increasing substantially in size within a few months. There will be more projects, both for film and television. Already the string of successes seems to be continuing, however, with Local Hero, another Goldcrest project, drawing critical acclaims and, perhaps more significantly, audiences on both sides of the Atlantic.

But even if Goldcrest doubles in size it will not in itself make a British film industry—in the sense of British money financing British productions in British studios. Mr Lee is quite blunt about it. "There is a lot of woolly thinking about films in Britain. The problem is that there is not an industry here as such."

Over the years film financiers have come and gone in the UK. Rank, EMI, Grade and a string of different consortia have all had their day, but now Goldcrest is the only major unified force. "We need at least three large companies in the film distribution and financing business," says Mr Lee.

For most independent producers, raising money for film-making is an uphill battle in Britain. In the U.S. a project

Worries about the extent of video piracy

can be put to five major studios who, if they take it up, arrange the cash. In Britain a producer is more often than not reduced to putting together his own package of relatively small amounts, from whatever sources he can find.

Although many of the bigger films these days cost £5m-£10m to make, quite successful pictures are frequently produced for considerably less.

British investors may be tempted by the returns on films, but they are worried by the failure rate in the industry. The former majors still put some cash into the business. Rank, which pulled out of fully-financed films after its most recent excursion into the business in the seventies (with films like The 39 Steps), now claims to be spending more than the £2m it was putting into pictures then. The money is, however, spent in more modest slices, usually as an up-front contribution to a film which the group will later show in its 200 cinemas.

But if film producers have trouble raising cash, the film studios of the UK are booming. Rank's Pinewood, with some 600 staff, has had a year when it was bursting at the seams. Big U.S.-backed promotions such as the James Bond film, Octopussy, and Superman III, have all helped to fill the Rank coffers.

Pinewood has seen boom days before of course, and watched them fade as the pound strengthened or the dollar weakened. At the moment, with the dollar so strong, there is a tendency for U.S. studios to finance productions anywhere but within the U.S. itself. "The strength of the dollar has been a great encouragement to the Americans to come here," says Rank. "But there is a lot more to it than that. We have skills and facilities you do not find elsewhere."

Special effects for such films as the Superman series and those of the Star Wars saga—the latest of which, The Revenge of the Jedi, is due to hit the screens later this year—are generally assumed to be done best in Britain.

But if there is no structured industry in Britain as there is in the U.S., what can Mr Iain Sproat, who is among the harder liners in a non-interventionist Government, do for film-makers? The industry delegation that saw him thought that at least £30m could be produced from a variety of sources: a levy of a quarter of a penny on each viewer of a film on TV; a £1 levy on each blank video cassette sold; and 5p from each cinema seat sold.

The money would be spent in the form of a direct return to successful British films; a bigger role for the National Film Finance Corporation; an improvement fund for cinemas; and a large scale training scheme.

Mr Sproat is believed to have some sympathy with parts of these proposals, but anything that involves him in setting up an administrative body to handle a new system is likely to get a veto. He is worried about the extent of video piracy, reckoning that this is at the root of many of the industry's financial problems.

At the moment the Eady Levy, the tax on cinema admissions named after the man who invented it, is the major source of public money for the film business (if one ignores the substantial tax concessions which exist).

Last year the levy brought in £4m. Of this, some £1.5m went to the National Film Finance Corporation. This cash is largely used as "seed money" to develop film projects and for the production of short films (one of which, Shocking Accident, also won an Oscar for its makers, Virgin Films). £500,000 went to the National Film and Television School and £125,000 to the British Film Institute. The rest went back to the film makers under the present bonus scheme.

The film makers would also like to see more cash applied to foreign promotion of British pictures and UK studios.

"We are second only to the Americans in depth of talent and extent of facilities," says one director, Mr John Crome.

After a week in which British film-making has been highlighted in newspapers, magazines and on television around the world, the promotion of the UK industry might be a little less uphill than it was—but uphill it still remains.

Weekend Brief

The real row behind the CAB affair

At the end of a week in which Dr Gerard Vaughan, the Consumer Affairs Minister, rubbed a custard pie into his own face by making apparently unsustainable allegations about political goings-on in the nation's Citizens Advice Bureaux, the movement's national leaders must have been trying hard not to crow.

After all, Dr Vaughan, unless he is removed, still holds the pursestrings of Nacab (the National Association of Citizens Advice Bureaux) which is now on tenterhooks not only about the minister's review of its main grant, but about Government funding for its ambitious plans to computerise part of the service.

The computer story, from which several individuals in both Whitehall and Nacab emerge with diminished credit, began in 1982, when Nacab decided to take over some successful, but overextended, pioneering work of its Cardiff bureau in the use of computers to calculate welfare benefit entitlements.

Caught up in the enthusiasm for the Government's Information Technology Year, Kenneth Abraham, Nacab's acting director, hatched an expensive plan to put a microcomputer in everyone of 914 bureaux.

Problems started to surface in the summer, first when news started to leak to the regions that Mr Abraham had bought, on Nacab's behalf, an off-the-shelf company, Noble Words, as a vehicle to take over the Cardiff operation.

Then in August, Mr Abraham went on holiday, signing a blank piece of headed paper as a cover for a report he had only seen in draft, explaining the computer project for the first time to bureau organisers.

Some bureaux were suspicious about the failure to mention Noble Words, an enterprise which they saw as incompatible with Nacab's status as a charity, although in fact the use of a separate trading company linked to a charity is certainly not illegal, even if it can cause tricky constitutional problems.

The Industry Department, however, was a good deal more worried about something else: that the paper referred confidently to the "offer" of £2.5m to £3m which Industry had made to Nacab as its contribution to the computer project.

Hurried investigations took place within the department, which duly concluded there had been a misunderstanding between Whitehall and Nacab about the "offer," which industry now denies it ever made. This news went to Nacab on September 17, the day before the hapless Dr Vaughan was due to make an effusive speech to the organisation's annual meeting in Reading. The speech was expected to include announcement of the first phase of the computer plan, but all bureau workers heard was the effusion and a convoluted warning about the "expensive traps" of micro-electronics.

Since then Nacab, under assault from some offices, has trimmed sails and applied officially for a smaller Industry grant to pay half the cost of 30 computers only. The department says the mater is "under consideration."

The Trade Department, Dr Vaughan's ministry, officially takes the sniffy view that it is all a mater for Industry, which is hardly true, since the £100,000 a year Nacab has to find for its share of the scaled down project will have to come largely from the £6m a year grant now under threat of cuts.

So Dr Vaughan is on the spot again. Does he encourage the computer plan to go ahead and hope everyone will quietly forget his promised inquisition into Nacab's grant, which may make him look weak, or does he build on the first attack and risk another hiding like the one he got in the Commons on Wednesday?

Swid and Cogan v. Sotheby's

FOR men who have been practically accused of undermining the British way of life Stephen C. Swid and Marshall S. Cogan are a remarkably mild-mannered duo.

Swid, a 42-year-old New Yorker from the Bronx, and his equally dapper business partner, 45-year-old Bostonian Cogan, were in London this week to discuss details of their £61m offer for Sotheby's, the international auction house, with their merchant bankers.

Sotheby's refused to consider co-operation with the two Americans when they first announced they had bought 14 per cent of the firm last December; so Swid and Cogan have now cranked up to a full bid. With a further 45 per cent of Sotheby's stock believed to be in speculative American hands the company is very worried.

The two Americans are having a hard time persuading Sotheby's that the way they made their money—in securities, carpet underlay and fine furniture—make them fit and proper persons to run an auction house.

But the Sotheby board's own performance has lacked lustre since the departure of Peter Wilson, the man who virtually created the company in its present form, who stepped down as chairman in 1980. It moved into a loss last year although business is now starting to pick up again.

Swid and Cogan live on the same block on Park Avenue in Manhattan. Swid moved in with his family first to a sixth floor apartment at number 635. Cogan, as it happened, moved into the sixth floor at number 625 18 months later. "We can look into each other's windows across the Brownstone houses that separate our apartments," says Swid.

Both men went into the securities business, Swid after completing his studies of Soviet political science and investment banking at Ohio State University, and Cogan after graduating from the Boston Latin School and Harvard.

Swid was working as a securities analyst for the Dreyfus Fund when Cogan, who was in securities brokerage, walked into his offices in 1964 in an attempt to interest Swid in some stocks.

From the securities business the two men developed their manufacturing interests through General Felt Industries and Knoll International, which makes designer furniture. GFI/Knoll is now a \$300m business, and one of the largest private U.S. corporations. Both men have become millionaires.

"We both came from lower middle class backgrounds," says Swid. "We were not underprivileged but both our families were people who came out of the Depression and worked hard to make sure their children had a good education."

Their wealth has helped make them an established part of the New York arts scene with a number of trusteeships and advisory posts with leading museums such as the Guggenheim and the Metropolitan Museum of Art.

Swid and Cogan are clearly shocked by the emotional response from Sotheby's to their offer.

They say that if they gain control Sotheby's will continue to pursue its traditional lines of business as an independent company. But they will impose better financial and strategic management and introduce incentive schemes for the employees. Sotheby's itself is worried that there might be plans to franchise its name for use on products which do not fit the company's image.

Although they are highly critical of the current directors, the Americans have high hopes of the company. They have no plans to move Sotheby's head office from London despite Swid's choice of reading matter during his trip to London.

"I bought two books to read at night," he says. "They were The Meaning of Modern Art and The Decline of Western Europe."

The third London Marathon is set for a further place in athletics history tomorrow when an attempt will be made on the women's world record (writes Lynton McLain).

It is held by Allison Roe, of New Zealand, winner of the 1981 New York Marathon in 2 hr 25 min 29 sec. Allison Roe is not running in London, but Greta Waitz, the 31-year-old Norwegian teacher (only 13 sec separate her from Allison Roe) will try to close the gap in the 26-mile contest around the Isle of Dogs, Greenwich and Tower Bridge to finish at Westminster Bridge about four and a half minutes before Big Ben strikes 12 noon.

A new record by Greta would bring joy to the Greater London Council, whose leader, Ken Livingstone, is to present the prizes.

The GLC and the race organisers want to raise the status of the London race—from just the world's biggest marathon with nearly 19,000 entrants to a world event, sought after by most of the world-class competitors.

So the nature of this year's Marathon has changed, making it easier for top international runners to take part. It will be the first race in Britain to pay participation money to eagerly-sought competitors under new rules laid down by the International Amateur Athletic Federation.

It will still be a day of fun and personal challenge open to all who can tackle the competitiveness of the "first - come - first - served" entrance system. The organisers intend to preserve that element.

Contributors:

Ian Hargreaves

Charles Batchelor

Economic Diary

TOMORROW: Department for National Savings' monthly progress report for March.

MONDAY: Provisional retail sales for March. EEC Finance Ministers meet in Luxembourg. EEC agricultural council meeting in Luxembourg (until April 20). Scottish TUC conference at Rothesay (until April 22). AEUW conference at Eastbourne (until April 29). Commons debate on the Brandt Commission report. Publication of the annual report by the Inspectors of Factories and Explosives. Publication of survey on Japanese direct investment in the UK. Mr Francis Pym, Foreign Secretary, attends Foreign Press Association lunch at the Inn on the Park, W1. Publication of the Royal Commission's report on environmental pollution.

TUESDAY: Mrs Margaret Thatcher attends CBI dinner at Hilton Hotel, W1. European security conference resumes in Madrid. Commons debates the crisis in the shipbuilding and ship repair industries.

WEDNESDAY: Indices of average earnings in February. Indices of basic rates of wages in March. Industrial and commercial companies capital account and net borrowing requirements for fourth quarter. Civil Service unions meet to discuss pay in London. CBI makes statement and issues pay data bank figures. The Henley Centre for Forecasting hold conference on "Budget effects on business" at the Inn on the Park Hotel, W1. British Institute of Managament salary survey for 1983.

THURSDAY: FT conference on "Venture capital" at Caledonian Hotel, Edinburgh (until April 22). Cyclical indicators for the UK economy in March. Preliminary estimates of consumers' expenditure (first quarter). Public sector borrowing requirement and details of local authority borrowing (first quarter). EEC energy council meets in Luxembourg. Introduction of the £1 coin. M. Gaston Thorn, president of the European Commission, visits U.S. for talks with President Ronald Reagan in preparation for the world economic summit in May. Publication of the Queen's awards for export and technology. Lord Carrington delivers 1983 Alistair Buchan memorial lecture at Kings College, Strand.

FRIDAY: Retail prices index for March. Tax and price index for March. Sales and Orders in the engineering industries in January.

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	%	Others
Abbey National	6.00	6.25	7.25	7.25	1-year high option
				7.25	6 years sixty plus
				6.75	min. £100, 7 d. not. no int. lost
Aid to Thrift	7.00	7.25	—	—	
Alliance	6.00	7.25	7.75	7.25	3 years Money Monthly £1,000 min. Interest paid monthly
Anglia	6.00	6.25	7.25	7.25	3 yrs., 2 mths.' withdrwl. notice
Birmingham and Bridgwater	6.00	6.25	7.75	7.25	Extra Interest Shares
Bradford and Bingley	5.75	6.25	7.25	7.00	1 m. not. or on dem. (int. pen.)
				7.25	High I. a/c 3 m. not. (no pen.)
Britannia	6.00	6.25	7.25	7.50	Option Bond, 7.25 2 mths.' not.
Cardiff	6.00	7.00	7.75	—	
Cardiff	—	*7.50	—	—	* Share a/c bal. £10,000 & over
Catholic	6.00	6.50	7.50	7.50	6 months' deposit, £500 min.
Century (Edinburgh)	6.50	7.00	—	8.00	2-4 years
Chelsea	6.00	6.25	7.25	7.50	im. wdl. (int. pen.) or 1 m. not.
Cheltenham and Gloucester	6.00	6.25	7.25	—	
Cheltenham and Gloucester	—	7.25	—	—	Gold Account—savings of £1,000 or more. No notice—no penalty
Citizens Regency	6.00	6.50	8.00	7.50	3 yrs. Double Option shs. 7.40
City of London (The)	6.25	6.60	7.50	8.00	£10,000-£30,000, monthly income, 3 months' notice no penalty
Coventry Economic	6.00	6.25	7.50	7.75	4 yrs., 7.50 3 yrs., 7.25 3 mths.
Derbyshire	6.00	6.25	7.50	6.75-7.35	(3 months' notice)
Greenwich	6.00	6.50	7.75	7.75	2 yrs., 7.50 28-day pen./notice
Guardian	6.00	6.50	—	8.25	6 mth., 7.75 3 mth., £1,000 min.
Halifax	6.00	6.25	7.25	7.25	Extra Interest Plus, 3 months' wdl. notice or loss of interest
Heart of England	6.00	6.25	7.50	7.00	1 mth. not., 7.25 flexi, tm. 3 yr.
Hemel Hempstead	6.00	6.25	7.50	7.75	3 yrs., 7.50 3 months
Hendon	6.50	7.25	—	8.00	6 months, 7.75 3 months
Lambeth	6.00	6.50	7.75	8.00	6 mths., 7.75 28 days, 7.25 3 m.
Leamington Spa	6.10	6.35	6.60	—	
Leeds and Holbeck	6.00	6.25	8.00	7.75	5 yrs., 3 mths.' interest penalty
Leeds Permanent	6.00	6.25	7.25	7.25	HRAS, 7.00 E.I. a/c £500 min.
Leicester	6.00	6.25	7.25	7.25	3 yrs., 7.25 3 months
London Grosvenor	6.00	6.60	8.50	7.10	3 mths.' notice 1 mth. int. pen.
London Permanent	6.00	6.75	—	7.50	1 m. not. or on dem. (int. pen.)
Midshires	6.00	6.25	7.50	7.25	1 year, 3 months' notice no pen.
Mornington	6.80	7.30	—	—	
National Counties	6.25	6.55	7.55	8.00	28 days, 8.25 6 mths., £500 min.
National and Provincial	6.00	6.25	7.25	7.50	3 yrs., 7.25 2 mths., 7.00 1 mth.
Nationwide	6.00	6.25	7.25	7.25	3 yrs., £500 min. imm. wdl. with penalty. Bonus a/c 7.00 £500 min. imm. wdl. with penalty
Newcastle	6.00	6.25	7.50	7.75	4 yrs., 7.25 28 days' notice, or on demand 28 days' int. penalty
New Cross	7.00	7.25	—	7.25-8.25	on share accs., depending on min. balance over 6 months
Northern Rock	6.00	6.25	7.50	7.00	High int. sh. 7.25 Prem. share
Norwich	6.00	6.25	7.50	7.25	3 yrs., 7.00 2 yrs.
Paddington	5.75	6.75	8.25	7.25	7 days' notice
Peckham	6.75	7.00	—	7.50	2 y., 8.00 3 y., 8.50 4 y., 7.25 Bns.
Portman	6.00	6.25	7.75	7.75	2 mths., 7.25 Flexi-Plus
Portsmouth	6.35	6.55	8.05	8.40	5 yrs., 8.00 6 mths., 7.50 1 mth.
Property Owners	6.25	6.75	8.25	8.25	4 yrs., 8.25 6 mths., 7.75 3 mths.
Scarborough	6.00	6.25	7.50	7.25	Money Care + free life ins.
Skipton	6.00	6.25	7.50	7.00-7.15	(1 mth.), 7.25 3 yrs.
Stroud	6.15	6.25	7.50	7.85	3 mths., 7.25 1 m. (no penalty)
Sussex County	6.15	6.40	8.15	6.90-7.90	all with withdrawal option
Sussex Mutual	6.25	6.50	8.00	6.75-8.00	
Thrift	6.15	7.15	—	9.15	5 yrs. term. Other accnts. avail.
Town and Country	6.00	6.25	7.50	7.50	3 yrs., 60 days' wdl. notice imm. wdl. 28 days' interest loss
Wessex	6.25	7.30	—	—	
Woolwich	6.00	6.25	7.25	7.25	90 days (int. loss)
				7.25	Special Interest Shares 90 days' not. or imm. wdl. with 90 days' interest loss (min. £500)
				7.00	immed. wdl. 28 days' int. loss
Yorkshire formerly Huddersfield & Bradford and West Yorkshire	6.00	6.25	7.25	7.25	5 Star Bond min. £500, 2 mths.' not. with pen., 7.25 Golden key imm. wdl. 28 days' pen. interest

All these rates are after basic rate tax liability has been settled on behalf of the investor.

Kwik Save Discount 15% higher at midterm

SALES OF supermarket operator, Kwik Save Discount Group rose 13.9 per cent from £235.21m to £267.94m for the 26 weeks to February 26 1983, while pre-tax profits were up 15.4 per cent or £1.65m at £12.33m.

The tax charge increased from £5.56m to £6.41m and earnings per 10p share improved by 0.53p to 7.88p. The interim dividend is raised from 2p to 2.3p net—last year, a total of 6p was paid on taxable profits of £23.62m.

Concessionaire rentals including Coleman Meat Co., rose from £2.18m to £2.56m for the half year and net interest received increased from £763,000 to £784,000.

During the first half, the company opened 20 stores and closed one, with a further four stores opened since. The board anticipates that by the end of the financial year, the company should be operating in about 345 stores.

Mr M. Weeks, the joint managing director, has resigned on the grounds of ill health. Mr I. Howe, has been appointed deputy chairman and chief executive and Mr W. Postlethwaite has been appointed managing director.

Automotive Products misses final after £14m losses

FOR 1982 the vehicle and aircraft equipment maker, Automotive Products has run into a loss of £14.11m, and is omitting the final dividend. This leaves the 0.5p interim as the total for the year.

In the previous year the final was 2p for a total of 3p, paid from a loss of £2.21m.

A successful raid to reduce costs has enabled a profit to be earned in the first quarter of the current year. The interim figures will be reported in September when it will be possible to take a view on a resumption of dividends.

Turnover in 1982 rose from £201.93m to £203.29m. The profit was struck after associate loss of £197,000 (profit £535,000), interest charges £8.46m (£7.02m) and reorganisation and severance costs of £4.93m (£2.52m), of which £1.3m is to be incurred in 1983.

Tax charge is £638,000 (£1.19m) and there is £2.79m written back on property revaluation. On a net basis the loss per share is 27.7p (7.54p).

Because of the losses net borrowings have increased from £40.7m to £54.5m, representing 62 per cent of shareholders' funds. It is expected that the current year will see a reduction in borrowings.

There are some hesitant signs of increasing demand in the U.S. and in Europe, but after the disappointments of the last three years these signs must be treated with "utmost caution." If they herald a slow but sustained recovery rather than yet one more false dawn, then the company is well placed to take full advantage of that situation.

The improved outlook for 1983 is based on two major considerations — the significant reduction in employment costs and improved productivity following the severe cutback in manufacturing operations in the past three years; and an expected increase in turnover.

Included in this is a higher lever of supply of brake and clutch components for motor manufacturers. A small increase in sales volume of replacement parts is expected from the depressed levels of the latter half of 1982, but not a return to the volume experienced in 1981 and earlier.

See Lex

Leyland Paint £2.99m in red

PAINT AND wallcovering maker and distributor Leyland Paint and Wallpaper fell from taxable profits of £422,000 to losses of £2.99m in 1982. At the half-year stage the group had already fallen to losses of £2.09m, against profits of £152,000.

With losses per 25p share given as 20p (2.2p earnings), the final dividend is being missed, following the omission of the interim. Last year a total of 1.5p was paid including a final of 0.75p.

The directors say that after a slow start to 1983, particularly in the paint operations, sales are running at budgeted levels with exports in both paint and wallpaper being particularly buoyant.

There are signs now that the economy is improving and they therefore expect to make substantial progress to a return to profitability by the half-year.

Turnover for 1982 slipped marginally from £39.61m to £39.48m. The pre-tax losses were struck after interest payable of £954,000 (£696,000) and included associate profits of £53,000 (nil). Tax absorbed £190,000 (£74,000) and there were extraordinary credits of £42,000 (£208,000).

● comment

Leyland Paint and Wallpaper was having some success in sorting out its wallcoverings division, when the paints side took something of a dive towards the end of the year. Result: worse than expected losses of almost £3m and the shares dipping 2½p to 20p, at which price the company is capitalised at under £3.2m. Over the year gearing had risen 38 per cent to 65 per cbent, so Leyland have just sold half of their retail outlets for about £2m. In the longer term one suspects that the company will follow the big boys, ICI Crown and Burgess by withdrawing altogether from retailing. Although wallcoverings are now profitable, that is unlikely to be true of paints, where Leyland's market share has dipped slightly to 5 per cent. The company has had some tough decisions to make and its workforce is now about 55 per cent of what it was two years ago. This year will see another £¼m of redundancy costs. Any leaner and anorexia might be diagnosed.

S. Jerome back in profit at year end

Reduced second half taxable profits of £32,000, against £317,000, were enough to pull textile manufacturer and electronic communications group S. Jerome & Sons (Holdings) back into the black at the year end, with profits of £22,000 compared with £520,000. Turnover for the year advanced marginally from £12.61m to £12.63m.

The directors say the poor results are exceptional and they believe the group will return to a meaningful level of profitability in 1983. The year's dividend is therefore being maintained after adjustment for scrip at 2.689p net per 25p share with a same again final of 1.995p.

Earnings per share are given as 3.38p (6.76p adjusted).

Pre-tax profits were made up of textile losses of £29,000 (£338,000 profits) and electronics profits of £151,000 (£219,000), and were struck after interest payable of £100,000 (£37,000).

There was a tax credit of £144,000 (£184,000 charge) and after minority debits of £3,000 (£10,000) the attributable profits emerged at £163,000 (£326,000).

Midland Inds. at £0.55m

ENGINEERING AND repetition iron founding group Midland Industries slipped from taxable profits of £768,000 to £551,000 in 1982, on higher turnover of £24.75m compared with £21.95m.

At the half year stage, the group had already fallen behind with pre-tax profits of £305,000 (£421,000) made on turnover ahead at £13.02m (£10.33m).

The final dividend is being maintained at 1.5p net per 5p share making a same-again total of 2.6p. Earnings per share are stated lower at 3.49p (5.26p).

The directors say present order levels are encouraging and indicate an increased demand for the group's products. Development of new processes and products has enabled it to enter new markets at home and overseas, the benefits of which are expected to be reflected in the second half of 1983, and onwards.

The group's freehold land and buildings were revalued at £9.06m at the year end. A surplus on revaluation amounting to £3.01m has been credited to reserves.

Pre-tax profits were struck after depreciation of £1.13m (£1.11m) and interest charges of £1.3m (£1.09m). Tax took £99,000 (£88,000) and there was an extraordinary debit of £187,000 (nil).

Profits slip at Hunting Petroleum

As forecast at the interim stage profits of Hunting Petroleum Services have not quite matched the previous year, amounting to £7.14m pre-tax, against £7.49m. The dividend is raised from 7.5p to 8p net, with a final of 5.75p.

After tax £2.43m (£3.1m) and minorities £511,000 (£469,000), the net attributable profit for 1982 comes out at £4.2m (£3.93m), for stated earnings of 33.61p (39.17p) basic and 26.49p fully diluted. Dividend cost is £1.04m (£895,000).

DIVIDENDS ANNOUNCED

Adwest Group ....int	2.1	June 8	2.1	—	8.25
Arrow Chemicals	1	July 1	nil	1	nil
Automotive Products ...	Nil	—	2	0.5	3
Hunting Petroleum	5.75	July 13	5.25	8	7.5
S. Jerome & Sons	2	May 27	2*	2.69	2.69*
Kwik Save Discount int	2.3	July 1	2	—	6
Leyland Paint	Nil	—	0.75	nil	1.5
Linread ....int	Nil	—	nil	—	1
Lowland Investment int	2.1	June 7	1.9	—§	4.8
Midland Inds	1.5	July 1	1.5	2.6	2.6
F. Miller	1.6	—	1.44	2.7	2.44
Scottish TV	5.25	June 4	5.25	7.35	7
Ulster TV ....int	3.7	June 7	3.3	—	6.8

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM Stock. § Directors expect final at least maintained.

Adwest makes modest increase

A modest increase in pre-tax profits from a restated £2.26m to £2.4m is reported by Adwest Group for the six months to December 31 1982 and it is anticipated that the second half will show at least the same rate of improvement.

The directors say the increase has been obtained by restructuring, internal economies and sustained efforts by all members of the group.

Adwest's interests are in automotive, electrical, agricultural, industrial and engineering products.

"We still remain poised to take advantage of any upturn in the economy," the directors state.

The interim dividend is unchanged at 2.1p net per 25p share —last year's total was 8.25p on £6.17m pre-tax profits.

First-half pre-tax profits were struck after net interest payable of £59,000 (£26,000 receivable). Tax charge was £10,000 higher at £791,000 and after minorities, attributable profits were £1.59m (£1.44m).

Extraordinary charges rose from £137,000 to £224,000 and represented major organisation expenses.

Results due next week

The fall in the pound came too late to give a fillip to Hawker Siddeley's year-end results for 1982 which are due on Wednesday. Analysts are therefore not expecting any significant improvement over the 1981 pre-tax profits figure of £121m. But attention will be focussed on the chairman's statement for an indication as to whether pressure from West German and Far Eastern manufacturers has been relieved by currency changes. Hawker Siddeley Canada's fourth quarterly results showed an unexpectedly large improvement. But deliveries of diesels from the UK deteriorated during the year, while the diverse electrical engineering group is not expected to show much change. Dividends may be raised slightly to 10p net.

When Dunlop come to the market on Thursday with its announcement of 1982 profits, analysts expect to see anything from a repeat of the previous year's breakeven, to about £6m pre-tax. However, the familiar weighty overseas tax charge together with minorities could result in an attributable loss of around £24m. Even after the £54m sale of its Malaysian plantations, gearing is likely to be around 100 per cent. The shares have risen by about 30 per cent in the past two weeks on bid speculation. The dividend is expected to be maintained.

Since substantial proportion of W. H. Smith's retail sales come over the Christmas period, forecasting can be hazardous. Even so, stock market analysts are looking for a pre-tax profit advance to around £25m (£19.4m) when the company reports for the full year to end-January, next Wednesday. The elimination of U.S. losses and sound profit performances from the two main divisions, are all positive pointers to the final result. The total dividend is expected to rise to about 6.5p (5.25p) net.

In the wake of the Paternoster takeover, market analysts are understandably muddled as to what to expect when Woolworth reports for the 1982-83 year on Thursday. Forecasts at this stage amount to little more than guesswork and Woolworth watchers agree that the figures for the past year are largely irrelevant in the light of the company's new structure. The market is more interested in the proposed future direction of the group (and who will fill the vacant top management slots) than in last year's performance.

The 1982 profit of Hambro Life Assurance, the UK's largest linked-life company, which are revealed on Tuesday, will reflect the strong new business growth of the previous two years, rather than last year's dullish performance. Profits rising by at least 13 per cent to £19m are expected, including a £200,000 contribution from the recently acquired Dunbar and shareholders can expect dividends up by at least 15 per cent to 13.25p. Sun Life Assurance, a major traditional life company, reporting a day later, should show a useful increase in profits, despite the dullness of the group pension market, with a near 20 per cent jump to £7.8m and a corresponding dividend hike to 13p.

The bulk of the Bank of Scotland's profits come from medium-sized loans to Scottish-based businesses and its international exposure is small. Nevertheless, its year-end results to February, due on Tuesday, are expected to show an increase in bad debt provisions from £15m in 1981 to about £25m. The North West Securities finance house will have suffered more bad debts, but is likely to show some second-half recovery due to lower funding costs. The main bank's current account balances were higher and it should benefit from an increase in commission income, from both the retail side and merchant bank fees. Analysts are expecting pre-tax profits to dip from £47.2m in 1981-82 to between £41m and £45m but, following the example of the Big Four clearing banks, the bank is likely to increase its dividends by possibly 5 to 10 per cent.

Other full year results due next week include those of Currys Group on Monday, and on Tuesday those of Savoy Hotel. On Wednesday RMC Group will be reporting its preliminary figures, and Laporte Industries will be following suit on Thursday.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Aberthaw Cement	Tuesday	4.0	7.5	4.5
Allebone and Sons	Friday	—	—	—
Alva Investment Trust	Tuesday	4.9	5.6	4.9
Argyle Trust	Tuesday	—	—	—
Aquascutum Group	Thursday	0.75	1.3	0.75
Bank of Scotland	Tuesday	10.0	11.0	10.5
Bardsey	Thursday	—	0.3	—
Barrow Hepburn Group	Wednesday	0.8	1.4	0.8
Bentalls	Thursday	0.3	1.2	0.3
Biddle Holdings	Wednesday	2.4	6.6	2.4
Blockleys	Monday	1.93	5.37	2.5
Bramall (C. D.)	Monday	2.05	3.95	2.05
British Syphon Industries	*Wednesday*	—	*1.0*	*0.5*
Brixton Estate	Wednesday	1.55	1.95	1.7
Camrex	Thursday	1.64	2.38	1.64
Chesterfield Properties	Wednesday	3.0	4.25	3.5
Cory (Horace)	Thursday	0.4	0.7	0.6
Crowther (John) Group	Tuesday	—	—	—
Currys Group	Monday	0.75	4.2	1.0
Cussins Property Group	Tuesday	—	2.9	2.0
Danish Bacon	Wednesday	2.0	1.5	—
Dunlop Holdings	Thursday	2.0	2.0	2.0
Edinburgh Investment Trust	Monday	0.78512	1.01653	0.80165
Emray	Monday	—	0.5	—
Feb International	Monday	0.75	1.5	0.75
First Charlotte Assets Trust	Tuesday	—	0.15†	—
Fleming Universal Investment Trust	Thursday	2.0	4.0	2.0
Fogarty	*Wednesday*	*1.6*	2.42	*1.6*
Garfunkels Restaurants	Thursday	—	—	—
Gaskell Broadloom	Friday	1.0	2.5	1.0
General Scottish Trust	Thursday	1.0	2.1	1.0
Grampian Television	Thursday	1.0	2.25	1.1
Haden	Wednesday	2.0	5.5	2.25
Hambro Life Assurance	Tuesday	3.5	8.02	4.025
Harrison Cowley (Holdings)	Tuesday	*1.4*	2.45	1.5
Hawker Siddeley Group	Wednesday	3.7	5.6	3.7
Helene of London	Friday	0.37	1.11	0.37
Highcroft Investment Trust	Thursday	1.15	1.7	1.25
Highland Electronics Group	Tuesday	—	1.0	—
Laporte Industries (Holdings)	Thursday	3.5	3.5	3.5
Lawrence (Walter)	Monday	2.5	5.75	2.75
Lilley (F. J. C.)	Thursday	1.98	3.52	2.178
London and Continental Advtg. Hldgs.	Monday	—	0.15	—
M.Y. Dart	Thursday	0.90909	—	0.1
Owen Owen	Thursday	1.0	2.0	1.0
Parame	Wednesday	0.25	0.45	0.3
Perry (Harold) Motors	Thursday	1.5	2.25	1.5
RMC Group	Wednesday	3.7	5.8	3.7
Savoy Hotel ("A" Shares)	Tuesday	—	1.149	—
Savoy Hotel ("B" Shares)	Tuesday	—	0.5745	—
Scottish Mortgage and Trust	Thursday	2.5	2.8	2.5
Scottish Northern Investment Trust	Friday	1.2	2.38	1.2
Securities Trust of Scotland	Wednesday	1.9	3.2	2.0
Smallshaw (R.) Knitwear	Thursday	0.5	1.25	1.0‡
Smith (W. H.) Son (Hldgs.) ('A' Shrs.)	Wednesday	1.5	3.75	1.75
Smith (W. H.) Son (Hldgs.) ('B' Shrs.)	Wednesday	0.3	0.75	0.35
Steel Bros. Holdings	Wednesday	3.15	6.45	3.5
Stewart Nairn Group	Tuesday	—	—	—
Sun Life Assurance Society	Wednesday	4.5	6.5	5.4
Tate of Leeds	Tuesday	—	1.25	—
Tharsis	Monday	—	1.75	—
Tilbury Group	Tuesday	1.0	3.16667	1.5
Toye	Tuesday	—	1.75	—
Twinlock	Monday	—	—	0.4
United Parcels	Wednesday	0.6	1.65	0.7
Wadkin	Wednesday	—	0.5	—
Websters Group	Tuesday	0.8	1.7	0.8
Woolworths Holdings				
INTERIM DIVIDENDS	Monday	0.2	0.66	
British Empire Secs. and Genl. Trust	Thursday	0.5	1.25	
Casket (S.) Hldgs.	Wednesday	0.7809	0.9626	
Dubilier	Thursday	2.0	5.2765	
McKenchnie Bros.	Wednesday	0.5	1.5	
Wade Potteries	Thursday	—	—	—
INTERIM FIGURES				
Japan Assets Trust	Monday			
Macllellan (P. and W.)	Thursday			
Woolworth Holdings	Thursday			

*Dividends are shown net pence per share and adjusted for any intervening scrip issue. † Includes a special dividend of 0.1p. ‡ Total of two interim dividends of 0.5p each.

Sluggish Channel 4 hits STV profits

HIT BY the subscription to Channel 4, profits of Scottish Television, which serves Central Scotland, have fallen by £443,000 to £7.89m in 1982. Cost of the subscription was £2.35m but this was offset to some extent by a reduction from £3.13m to £1.91m in the Exchequer Levy.

After tax of £1.02m (£865,000) the earnings are shown at 16.67p (28.4p). The final dividend is 5.25p for a net total of 7.35p (7p).

The Channel 4 subscription, together with the company's own cost increases, mean that profits in 1983 "will be under some strain," says the chairman Sir Campbell Fraser. The extent will depend on how soon Channel begins to attract substantial advertising support, and on how successfully STV can sustain its revenue growth.

In 1982 STV advertising revenue advanced by nearly 19 per cent to £37.81m; and for the first quarter of the current year it has risen by 17½ per cent.

Given the major cost increases associated with the company's new IBA contract (rental rose by about £1m) and with the Channel 4 launch, thet 1982 group results are considered by the chairman to be satisfactory.

See Lex

Ulster TV ahead and pays more

Although operating profits, before Channel 4 subscription and Exchequer Levy, fell from £471,000 to £445,000, pre-tax figures of Ulster Television showed an increase from £397,000 to £461,000 for the half year to January 31 1983.

The major factor contributing to the pre-tax improvement was the raising of the threshold for exchequer levy payments on television operating profits as from April 1 1982 from £250,000 to £650,000 a year.

As a result, no provision is required to be made for levy in the half year under review, as against a provision of £155,000 at the interim stage last year.

With stated earnings per 25p share up 1p at 8.9p, the net interim dividend is being raised from 3.3p to 3.7p—last year a total of 6.8p was paid on taxable profits of £688,000.

Channel 4 subscription for the period increased from £3,000 to £52,000. Investment income was £8,000 higher at £79,000, but there was this time a loss of £11,000 (£13,000 profit) on the disposal of investments.

Tax increased from £207,000 to £248,000, but after including a £53,000 (nil) extraordinary credit — profit on disposal of property, net of tax—the net attributable surplus came out at £266,000, compared with £190,000.

See Lex

Dewhurst Dent in the black at six months

For the half year to January 19 1983, Dewhurst Dent has turned in profits of £11,361, as against £78,420 losses last time.

The pattern of trade within the group is however, much the same as last year and at this stage the board says it appears unlikely that profits will be achieved for the full year.

For the 12 months to July 19 1982, Dewhurst made pre-tax losses of £32,925 (£1.46m).

There is again no tax for the half year. Group turnover was little changed at £6.64m (£6.67m) and at the trading level, profits rose from £49,708 to £103,387. Depreciation took £127,112 (£128,128) and there was a property sale profit this time of £35,086.

Earnings per 20p share were 0.11p, compared with a 0.77p deficit previously.

The interim dividend is again omitted—the last payment was in 1980.

The UK glove operation had a satisfactory half year, but the Australian subsidiary, in what is its quieter period, made a loss.

The group's textile companies have continued to encounter problems of tight margins and erratic trade, now accompanied by increasing difficulty in obtaining payment for goods.

Despite improvements made in this division, the board says it will take a sustained recovery in trade to bring it back to profitability.

Drake & Scull

The financial director and company secretary of Drake and Scull Holdings, the electrical, mechanical and construction engineer, has resigned. He is Mr Ronald J. Simpson an this resignation took effect on April 8.

Dreamland Elec.

Mr J. F. M. Coombes, has been dismissed from his executive office as managing director of Dreamland Electrical Appliances but remains on the board.

He has instituted proceedings in the Industrial Tribunals against the company alleging unfair dismissal which the company is defending.

Aidcom Intl.

Of the recent rights issue of 2,110,421 new ordinary shares in Aidcom International, acceptances have been received in respect of 2,043,574 (96.8 per cent). The balance of 66,847 has been sold through the market and a net premium of 15.59p per share will be distributed to entitled holders.

United Newspapers is Benn suitor: ex-chief aids £11m offer

BY CHARLES BATCHELOR

United Newspapers, which owns Punch and the Yorkshire Post, yesterday launched an £11m share bid for Benn Brothers, publisher of a wide range of business magazines.

The United offer has the backing of Mr Timothy Benn, who was chairman of Benn Brothers until he was ousted last December after a boardroom row.

Mr Benn got together a group of 10 family shareholders owning 13 per cent of the ordinary capital to give United, with the shares it already held, a 14.5 per cent stake from which to launch its bid, said Mr David Stevens, chairman of United.

"They had this boardroom row and I think people generally are getting a bit tired," said Mr Stevens. "Once the family breaks ranks and they no longer have control the thing crumbles."

United was obliged by the City's take-over code to put together its share support between the close of Stock Exchange business on Thursday and announcing its offer yesterday.

"In fact it was not a busy time at all," said Mr Timothy Benn. "We made a few telephone calls and sent out one or two runners. If a board takes the action they took in December and sack their chairman you must expect this will lead to a bid."

Mr Benn said it was too early to think of rejoining the Benn board if the bid succeeded but said he would be interested in discussing this if United wanted it.

The Benn family is believed to own about 35 per cent of the equity though, in the fourth generation since the company was founded, these shares are widely spread.

United had considered making a bid for Benn for several years and had been actively talking to the board for the past two months, Mr Stevens said.

United, which is heavily dependent on its provincial newspapers is currently diversifying its small magazine operations. These include The Countryman and three farming journals.

Following the £10.7m acquition of Colonial Securities Trust Company in January 1982 — effectively a rights issue by United — it paid $9.5m for PR Newswire Association Inc, a U.S. news and information agency, last August.

"We have been looking at a lot of businesses in the last 18 months," said Mr Stevens. "We looked at magazines in the UK but the prices were not right. Our next expansion is likely to be in the U.S."

United made a 1982 pre-tax profit of £900,000 on the £8m turnover of its magazine interests, while Benn achieved £1.24m on its turnover of £16m, mainly in specialised periodicals.

Mr Anthony Fisher, a Benn director, said the company believed Mr Timothy Benn's support was "marginal" in relation to the total family shareholding.

The company said the offer "has not been sought by Benn and is unwelcome." It urged shareholders to take no action.

United is offering seven of its shares for every 10 of Benn valuing Benn's shares at 149p. There is a cash alternative worth 143.5p per share underwritten by its advisers, Samuel Montagu.

Benn's shares rose 5p yesterday to 155p. This compares with the price of 125p on April 13 before Benn announced that an offer might be made.

Pegi bid for Dunlop 'expected'

BY WONG SULONG IN KUALA LUMPUR AND CHARLES BATCHELOR IN LONDON

The move by Pegi, the Malaysian investment group, increasing its stake in Dunlop Holdings, the UK tyre company, from 16 to more than 26 per cent in recent weeks, has increased the prospects of a full bid, according to sources close to the company.

Mr Phoon Ah Lek, Pegi's managing director, described recent purchases of 13.5m shares as "a very good buy," because of the current low price of Dunlop shares and the very favourable exchange rate for the Malaysian dollar.

Mr Phoon would not be drawn on the possibility of a takeover bid but sources close to the company said the Malaysian group was expected to make an offer within a few months.

Dunlop said in London it was in contact with Pegi at a senior level at least once every two or three days to discuss the two companies' co-operation in Dunlop Malaysian Industries (D.. but it had no indication that Pegi intended to make a full bid.

Dunlop and Pegi each hold 25.5 per cent of DMI, Dunlop's last industrial company stake in Malaysia.

"We have no reason to believe that the reports that they might make a bid are true," Dunlop added. However no formal guarantees have been given.

The Malaysian sources said the Pegi strategy was to make a share exchange offer putting Dunlop's shares at an attractive level as an incentive for Dunlop shareholders.

At the same time it is likely to arrange a cash alternative to be underwritten by Malaysian and international financial institutions.

The sources said Pegi would be free to move once it had tied up some loose ends, namely getting approval from the Malaysian authorities for its joint venture company with Dunlop Holdings to operate the 51 per cent stake in DMI, and for the break-up of its joint venture with Multi-Purpose Holdings (MPH).

The break-up with MPH would give Dunlop Estates to MPH while Pegi retained its Dunlop shares and M$14m cash.

In addition to the 26.1 per cent held by Pegi, Malaysian and other Far Eastern interests are believed to be holding another 10 to 15 per cent of Dunlop.

One argument advanced in favour of Pegi making a full bid was that Dunlop's depressed share price and the strength of the Malaysian dollar meant a full offer for the parent company would require less than half the amount needed for a similar bid for DMI.

At the current market capitalisation Dunlop is well within the means of Pegi to make a bid and the UK group is attractive to Malaysian eyes because of its broad operational base and high technology.

Dunlop's shares rose 2p to 60p, valuing the company at £86.3m.

Bilton expresses doubts over Stockley Park value

Percy Bilton has published its formal defence against the £107m bid from property development group, Trust Securities, five days before the first closing date. Bilton re-asserted its commitment to a more expansive policy and looked forward with "great interest" to seeing Trust's promised information on its important Stockley Park scheme.

Bilton yesterday expressed its "very severe doubts as to the value of the site and of the viability of the entire scheme."

In order to assess the value of the scheme, Bilton believes that its shareholders should be given the results of an independent professional valuation of the property in its current state "with the benefit and burden of such planning consents (if any) as may now exist in accordance with the guidelines set out in the City Code."

Bilton also demands full ownership details, development land tax liability estimates, site clearance and associated development costs, letting expectations and funding proposals.

Bilton, confident that a number of its major shareholders have no intention of accepting Trust's offer, has not promised any dividend or profits forecast and no attempt has apparently been made to revalue Bilton's own portfolio. Bilton has repeated its earlier attack on Trust's own asset base, its recent profits record and its balance sheet strength.

The attack this time extends to Mr Peter Jones, chairman of Trust and draws shareholders' attention to his earlier suspended prison sentence, now completed.

More pertinently, perhaps, Bilton refers to Mr Jones' record at Compass Securities in the early 1970s.

Ivory & Sime funds support Kwik-Fit bid

Funds under the management of Ivory and Sime, which hold shares in Kwik-Fit (Tyres and Exhausts) Holdings, are supporting a controversial bid mounted by Kwik-Fit for property development group, Crest International Securities.

Ivory and Sime stressed yesterday that Atlantic Assets, which is managed on a day-to-day basic by Ivory and Sime and which is the largest shareholder in Kwik-Fit with a 7.94 per cent stake, will be supporting a bid worth over £4m

Earlier this week a case committee of the National Association of Pension Funds which has been studying the terms of the proposed acquisition said that it had "misgivings about information published in the last offer document of April 5."

The case committee comprises representatives of the Post Office Staff Superannuation Fund and other institutional shareholders of Kwik-Fit.

FKI ELECTRICALS

FKI Electricals, the parking meter making company which joined the Unlisted Securities Market six months ago, has bought loss-making English Numbering Machines from the Rank Organisation for £1.3m.

FKI said the total consideration of £1.3m is equivalent to the warranted value of the net tangible assets of ENM, but a Rank spokesman said yesterday that £1.24m of that represents a loan from Rank to ENM.

Some £300,000 is payable on completion which is scheduled for April 18, and the balance of £1m on July 31.

ASSOCIATES DEALS

S. G. Warburg and Co., as an associate of Percy Bilton, sold on behalf of a discretionary investment client 29,000 ordinary 10p shares of Trust Securities Holdings at 82p.

Phillips and Drew, as associate of Hanson Trust, has purchased 21,000 ordinary shares in UDS Group on behalf of discretionary investment clients.

United Kingdom Temperance and General Provident Institution, as associate of Edinburgh Investment Trust, has bought 250,000 ordinary shares in Scottish United Investors at 74½p each.

Bluemel selling two operations

Bluemel Bros, which makes plastic components for the motor, cycle and other industries, is to cease the manufacture of injection moulded steering wheels and also motor vehicle registration plates.

The manufacture of injection moulded steering wheels will be progressively run down over the next three months. On April 7 agreement was reached with Sheller-Clifford, a leading European steering wheel manufacturer, to supply Bluemel's customers' future requirements from its Spring Road, Birmingham, plant. Sheller-Clifford is a subsidiary of Sheller-Globe Corporation, of Toledo, Ohio, U.S.

The business will be transferred to Sheller-Clifford not later than July 15 1983. The total consideration to be paid for the business will be based on stock at valuation, plant and equipment to be acquired at the company's option at its net book value, and payment of £46,000 for the benefit of relevant tooling and customer contracts acquired.

Of the total, £24,000 will be deferred to be paid in two equal instalments on October 1 1983 and December 31 1983, or as soon after as specified sales levels are achieved under contracts acquired.

Regarding the decision to cease manufacture of registration plates, on April 14 agreement was reached with Armstrong Engineering to supply Bluemel's customers' future requirements from its Canley, Coventry Plant. Armstrong Engineering is the light engineering division of Armstrong Equipment.

Armstrong will acquire for cash the relevant stocks, plant, equipment tools and motor vehicles, which in total will have a book value in the order of £91,000 at the completion date of May 27, 1983.

The consideration for the business will be paid in two instalments — £25,000 on completion and the balance on July 31, 1983. The total consideration will be between £60,000 and £75,000 subject to the valuation of stock at the date of acquisition.

Earlier this week Bluemel reported that its three for one rights issue had been accepted on 5.51m ordinary shares representing 80.8 per cent of the issue. The rest have been sold and the net proceeds, after deduction of the issue price of ½p per share, will be remitted to the allottees.

1p dividend from Arrow Chems.

A FURTHER recovery in profits and a return to the dividend list is announced by Arrow Chemicals Holdings.

For 1982 profit before tax has risen from £146,000 to £360,000, and the dividend is 1p net per share, the first payment after a two-year break.

The prospects for the current year are good and the directors hope to report a further increase in profits in all areas. They continue to search for suitable acquisitions.

Turnover in 1982 was up from £5.64m to £6.36m. Arrow's sales in the UK showed a 19 per cent increase and export volumes were 28 per cent ahead. New markets included Finland and Iceland.

Greenhill Chemicals, the aerosol and packaging subsidiary, increased its sales by 69 per cent and returned to profits with a figure in excess of £40,000. "This was a good recovery in a very competitive market."

The pre-tax profit was struck after exceptional debits of £78,000 (£96,000), comprising goodwill £70,000 and trademarks £8,000 written off, and interest charged £138,000 (£167,000).

Tax takes £224,000 (£26,000 credit) and minorities £8,000 (£10,000 credit), leaving the net attributable at £128,000 (£182,000). The dividend absorbs £60,000. Earnings are shown at 2.13p (3.08p).

Broken Hill

AUSTRALIA'S Broken Hill Proprietary (BHP) announced yesterday that its initial statement of a "significant" oil and gas discovery in the Whiting No. 1 well drilled in the Bass Strait had been "misinterpreted."

According to BHP the word "significant" in the statement was justified in terms of the tests carried out but did not refer to potential reserves.

In its latest statement BHP says the results of planned production tests over the next few days are expected to show that the volume of gas discovered will be the "dominant factor."

BHP's shares dropped 19 cents to A$7.54 in Sydney following the statement and in London they fell 12p to [illegible]

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

BTR made a full, share-exchange offer worth £576m for Thomas Tilling just six days after launching an unsuccessful market raid to buy a 14.99 per cent stake in the industrial conglomerate. The raid left BTR well short of its target—it netted only 6.9 per cent of the Tilling equity—and this set the stage for Britain's largest-ever takeover battle in money terms. BTR is offering 10 of its own shares for every 21 Tilling; there is a cash alternative of 185p per share, worth £538m. The bid has already run into stiff opposition, the Tilling chief executive having called it "totally unwelcome, grossly inadequate and completely unacceptable." BTR is confident that the offer will not attract a Monopolies Commission reference as the two companies' activities have little overlap, but Tilling wish to remain independent and has emphasised that it is not looking for an alternatve offer.

Felt Industries/Knoll International, a privately-owned U.S. company controlled by Mr Marshall Cogan and Mr Stephen Swid, launched a £81m cash bid for Sotheby Park Bernet, the London fine art dealers. The offer, worth 520p per share, came less than four months after GFI/Knoll acquired a 14 per cent stake in the British company. All GFI/Knoll's efforts to establish a dialogue with Sotheby's have been rebuffed.

Caparo Industries, the steel stockholding, industrial services engineering and property group, announced a £7.9m bid for Barton Group, the Brimingham-based concern with similar interests. The offer, of 33½p per share, was triggered when Caparo agreed to buy Staveley Industries' 10.5 per cent stake in Barton, taking its stake to over 30 per cent at which a full bid becomes mandatory.

Motor distributors Lex Service paid £15.3m in shares for Jermyn Holdings, a privately-owned electronics concern. Stockbrokers Phillips and Drew placed 6.6m Lex shares through the market at 231p per share with various institutions. The purchase marks a major expansion for Lex in the electronics field in the UK and Europe.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
Prices in pence unless otherwise indicated.					
Aberthaw Cement	771§	640	420	22.17	Blue Circle
Alpine Holdings	148	143	97	17.03	Kean and Scott
Andrsn Strthclyde	200*	198	179	94.83	Charter Consd
Anglo Met	90●	90	80	5.31	Atlantic Met
Austin (E.)	60*	34xc	50	2.54	Caparo Inds
Austin (James)	87*§	86	64	3.81	Trumans Steel
Barton Group	33½*	35½	32	7.94	Caparo Industs
Bell and Sime	160*§	155	136	0.45	Fleming (J.)
Benn Bros	161	155	150	10.79	Utd Newspapers
Bilton (P.)	249½§§	280	282	93.3	Trust Sec
Brotherhood (P.)	13½*	13	26	0.61	Thermo Electron
Cope Allman	60*§	65	58	23.7	Dowable
Crest Intl	13½	9½	13	4.79	Kwik-Fit
Davenport Brwy	294§ §§	297	246	23.86	Wolv Dudley
Dollands	37½*	122	70	0.15	A. P. Ward and N. Fetterman
Edin and Gen Ins	27½	22	13	5.99	Mills & Allen Intl
Heal	£38*	£36	£16	4.80	Habitat Mthrcare
Highgate Optical	23*	60	35	0.47	Exent
Jeavons Eng	79	72	62	4.42	Newman-Tonks
Leisure Industs	368	335	290	7.36	Riley Leisure
RTD	16*	24	14	0.30	East Anglian Secs
Saxon Oil	112	157	68	15.15	Clyde Petroleum
Second City Prop	75½	71	60	17.78	Beazer (C. H.)
Sotheby P.B.	520*	508	490	59.7	Felt Ind/Knoll Int
Steetley	200	215	153	122.3	Hepwrth Ceramic
Sumrie	65*§	108	70	0.95	Afcor Invs
Surmah Vlly Tea	153‡‡	140	123	1.22	Rightwise
Tilling (T.)	208	192	176	563.5	BTR
Trident TV "A"	80§§	92½	104½	1.22	Pleasurama
UDS	130*	136	89	247.9	Bassishaw Invs
UDS	144	136	110	274.6	Hanson Trust

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on April 15 1983. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ● Loan stock alternative.

Offers for sale, placings and introductions

Borough of Sunderland offer for sale of £25m of redeemable loan stock 2008.

Derek Bryant Group is coming to the Unlisted Securities Market via a placing of 600,000 ordinary 10p shares at 110p each.

Folkestone and District Water Company is making an offer for sale by tender of £2.85m 7 per cent redeemable preference stock at a minimum tender price of £101 per cent.

Lorlin Electronics has placed 1.32m ordinary shares at 80p on the USM.

Microlease is coming to the USM by way of a placing of 820,000 shares.

Miss World Group has joined the USM through a placing of 810,000 ordinary 10p shares at 60p per share.

Octopus Publishing Group is coming to the Stock Exchange via an offer for sale by tender of 3.1m ordinary 20p shares at a minimum price of 275p each.

Unigroup is placing 1.2m shares at 50p per share.

Yorkgreen Investments is moving from a full Stock Exchange listing to the USM and is placing 4.7m ordinary 10p shares at 36p each.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
AB Ports	Dec	5,500	(10,300)L	—a	(—)a	—	(—)
Air Call	Dec	1,020	(963)	21.0	(23.0)	5.6	(5.6)
Anchor Chemical	Dec	553	(673)	9.9	(11.9)	3.0	(3.0)
Arcolectric	Dec	101	(119)	0.8	(1.1)	0.55	(0.5)
Armitage Bros.	Dec	526	(453)	76.0	(97.0)	30.0	(27.0)
Ash and Lacy	Dec	3,060	(2,350)	52.3	(40.5)	18.0	(14.0)
Astb'y & Madeley	Dec	1,210	(901)	12.1	(11.3)	5.0	(5.0)
Barton Group	Dec	400	(1,030)	2.7	(3.4)	2.4	(2.4)
Beauford Group	Dec	607	(356)	11.6	(8.8)	3.5	(2.1)
Benford Concrete	Dec	2,200	(3,000)	6.6	(7.6)	3.48	(3.03)
Bowthorpe Hldgs	Dec	12,420	(11,400)	15.8	(13.9)	4.04	(3.42)
British Mohair	Dec	1,960	(850)	9.6	(5.0)	4.2	(4.0)
Brook Street	Dec	807L	(1,530)L	—	(—)	0.1	(0.1)
Brown Boveri	Dec	4,428	(262)	4.0	(—)	1.0	(—)
Burmah Oil	Dec	31,000	(81,400)	18.3	(23.4)	9.0	(8.5)
Case Group	Dec	916	(765)	8.0	(—)	2.5	(—)
Chepstow Race	Dec	23	(18)	12.9	(6.9)	4.0	(4.0)
Clyde Petroleum	Dec	511L	(1,100)	—	(0.3)	0.61	(0.55)
Comfort Hotels	Dec	1,280	(574)	1.8	(0.8)	0.65	(0.6)
Dewhirst (I. J.)	Jan	2,930	(2,520)	6.5	(5.6)	1.27	(1.09)
Dinkie Heel	Dec	125	(94)	1.0	(0.7)	0.4	(0.45)
Edinburgh Secs	Dec	731L	(927)L	—	(—)	0.15	(0.15)
Empire Stores	Jan	1,130L	(2,420)	1.5	(5.6)	0.1	(2.55)
England (J. E.)	Jan	143L	(117)	—	(1.1)	0.88	(0.88)
Expamet Intl	Dec	1,960	(1,160)	5.4	(2.3)	4.5	(4.5)
Finlan (John)	Dec	592	(568)	12.4	(20.5)	6.25	(6.25)
Fitch	Dec	875	(707)	8.9	(6.7)	2.8	(—)
Gill and Duffus	Dec	12,910	(12,800)	11.0	(10.4)	8.4	(8.4)
Glanfld Lawrence	Dec	518L	(138)L	—	(0.3)	—	(—)
Green's Economsr	Dec	759L	(2,820)	—	(22.5)	2.88	(5.75)
Harrison (T. C.)	Dec	3,010	(2,880)	13.1	(13.0)	3.3	(3.1)
Hestair	Dec	2,160	(1,640)	10.1	(8.1)	3.25	(2.0)
Hewden Stuart	Jan	1,537	(1,209)L	1.9	(—)	1.28	(1.28)
Higgs and Hill	Dec	4,630	(3,640)	38.4	(30.3)	9.0	(6.5)
House Property	Dec	111	(177)	7.8	(13.0)	6.0	(6.0)
Huntleigh Group	Dec	803	(1,410)	4.8	(8.7)	2.0	(1.7)
Jamesons Chocs	Dec	700	(618)	14.4	(12.7)	5.0	(4.6)
Johnstone Group	Dec	6,270	(5,170)	32.0	(25.9)	6.0	(4.0)
Laird Group	Dec	19,100	(16,480)	16.7	(18.5)	4.2	(4.0)
Lamont Holdings	Dec	568	(461)	3.0	(3.8)	1.3	(1.2)
Lec Refrigeration	Dec	2,440	(2,935)	28.1	(41.9)	8.5	(8.0)
London Brick	Dec	15,328	(11,154)	15.8	(6.1)	5.5	(4.89)
Lyle Shipping	Dec	4,790L	(6,710)	—	(75.9)	7.5	(10.0)
Martin (Albert)	Dec	687	(282)L	6.3	(—)	2.0	(0.1)
Morgan Crucible	Dec	4,720	(8,070)	3.5	(10.5)	7.5	(7.5)
NEI	Dec	39,510	(33,030)	11.3	(10.3)	4.75	(4.13)
Newarthill	Oct	15,490¶	(10,960)¶	46.1¶	(26.7)¶	9.0	(8.0)
Oilfield Services	Dec	1,350	(1,040)	10.7	(10.4)	2.3	(—)
Pearl Assurance	Dec	13,530¶	(11,540)¶	37.6	(32.1)	27.5	(23.0)
Portals Hldgs	Dec	14,790	(13,320)	46.0	(67.1)	15.5	(14.0)
Queens Moat	Dec	2,780	(1,030)	3.2	(2.5)	1.21	(1.1)
Quick (H. and J.)	Dec	118L	(49)	—	(—)	1.45	(1.45)
Reed (Austin)	Jan	3,310	(2,030)	8.8	(6.8)	4.5	(3.36)
Riley Leisure	Dec	1,400†	(723)‡	10.2†	(6.5)‡	5.6†	(3.85)‡
Rio Tinto Zinc	Dec	341,000	(348,100)	39.6	(40.4)	16.0	(16.0)
Rockware Group	Dec	605	(899)	2.9	(2.6)	—	(2.1)
Royal Worcester	Jan	1,620	(936)	12.5	(25.1)	8.6	(8.6)
Rugby Portland	Dec	23,550	(18,600)	12.9	(12.1)	5.5	(5.0)
Ryan Hotels	Oct	395L	(629)L	—	(—)	—	(—)
Senior Engineerg	Dec	4,530	(4,020)	2.9	(3.2)	1.5	(1.5)
Spencer (George)	Dec	504L	(177)L	—	(—)	0.1	(0.1)
Sindall (Wm)	Dec	561	(508)	54.4	(49.5)	7.5	(6.0)
Taylor Woodrow	Dec	28,540	(24,880)	54.7	(49.7)	19.5	(16.3)
United Ceramic	Dec	41	(20)	2.9	(2.0)	3.0	(2.5)
Upton (E.)	Jan	251L	(219)L	—	(—)	—	(—)
Wills (George)	Dec	1,630	(1,550)	16.8	(18.0)	8.0	(6.0)
Wilson Connolly	Dec	10,100	(8,320)	31.1	(27.3)	3.75	(3.0)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Bryant Holdings	Nov	3,470	(4,510)	0.55	(0.5)
Emess Lighting	Dec	191	(163)	3.25	(3.0)
Glaxo Holdings	Dec	86,300	(56,750)	2.75	(2.25)
Greencoat Props	Dec	64L	(47)L	—	(—)
Dowding & Mills	Dec	989	(792)	0.86	(0.78)
Halstead (James)	Dec	1,030	(813)	1.25	(1.0)
Highland Distllrs	Feb	3,580	(2,760)	0.97	(0.97)
Kalamazoo	Jan	1,330§	(433)§	0.83	(0.83)
Kent (M. P.)	Dec	740	(2,660)	0.36	(0.36)
Land Investors	Sept	1,510	(1,500)	0.2	(0.2)
Low (William)	March	1,890	(1,160)	2.5	(2.1)
Marlonair Intl	Jan	1,830	(1,810)	1.95	(1.95)
Peters Stores	Dec	147	(16)	1.0	(—)
Pineapple Dance	Jan	59	(38)	—	(—)
Rowland Gannt	Oct	23L	(53)	—	(—)
Scot Metro Prop	Feb	3,070	(2,770)	1.5	(1.36)
Smiths Industries	Jan	9,540	(11,170)	4.0	(4.0)
TSW Television	Jan	710	(705)	0.3	(—)
Tyzack (W. A.)	Jan	140L	(43)L	—	(—)

(Figures in parentheses are for the corresponding period.)

* Dividends shown net except where otherwise stated. † For 17 months. ‡ For previous 12 months. § CCA figures. ¶ Net profits. a Not stated.

LONDON TRADED OPTIONS

Option		CALLS April	CALLS July	CALLS Oct.	PUTS April	PUTS July	PUTS Oct.
BP (USP 370)	280	92	—	—	1½	—	—
" "	300	72	82	90	1½	3	6
" "	330	42	55	62	2	8	10
" "	360	13	28	38	4	14	20
" "	390	—	14	24	—	26	32
CGF (USP 552)	420	135	147	—	1½	3	—
" "	460	95	107	117	2	6	12
" "	500	55	70	85	2	13	22
" "	550	15	40	54	10	25	37
" "	600	2	18	30	—	57	—
CTD (USP 96)	70	28	30	32	1	1½	2
" "	80	18	20	22	1	2½	3
" "	90	7½	12	14	1	4	6
" "	100	2	6	8½	4	7	9
CUA (USP 149)	120	29	31	35	1	1½	2
" "	130	19	22	25	1	3	4
" "	140	8	16	18	1½	7	9
" "	150	1	5½	10	14	17	20
GEC (USP 229)	180	50	58	64	1	2	4
" "	197	35	—	—	1	—	—
" "	200	—	37	45	—	6	10
" "	217	15	—	—	1	—	—
" "	220	—	24	32	—	12	20
" "	237	3	—	—	11	—	—
" "	240	—	9½	—	—	22	—
" "	260	1	5	—	34	36	—
GM (USP 348)	260	87	—	—	1	—	—
" "	280	67	73	—	1	3	—
" "	300	47	55	60	2	4	6
" "	330	17	30	37	2	9	13
" "	360	2	16	22	16	22	27
" "	390	1	6	11	—	46	49
ICI (USP 434)	300	135	146	—	1	—	—
" "	330	106	116	—	1	2	—
" "	360	76	86	90	1	4	5
" "	390	46	56	64	2	7	10
" "	420	16	30	38	4	16	20
LS (USP 328)	260	70	75	81	1	2	-
" "	280	50	56	62	2	4	8
" "	300	30	35	44	2	6	12
" "	330	5	16	24	7	18	21
M & S (USP 219)	180	38	46	51	1	3	5
" "	200	18	28	34	1	5	9
" "	220	3	13	18	5	14	18
" "	240	1	6	—	22	25	—
SHL (USP 504)	420	86	96	104	1	3	7
" "	460	48	58	65	1½	9	16
" "	500	11	30	42	8	20	28
" "	550	—	15	24	—	54	60

Option		CALLS May	CALLS Aug.	CALLS Nov.	PUTS May	PUTS Aug.	PUTS Nov.
BBL (USP 470)	360	115	125	—	1	2	—
" "	390	85	95	—	2	3	—
" "	420	55	65	80	2	8	13
" "	460	20	32	50	11	20	30
" "	500	5	15	30	32	38	48
IMP (USP 117)	90	28	—	—	1	—	—
" "	100	19	—	—	1½	—	—
" "	110	10	15	18	2½	4	6
" "	120	3½	8	10	6	8	10
" "	130	1	4	6	14	15	16
LMO (USP 282)	210	88	90	97	2	3	5
" "	230	62	70	77	3	7	8
" "	250	43	53	62	4	14	20
" "	270	30	40	47	14	20	25
" "	290	13	25	—	24	28	—
" "	300	—	—	27	—	—	40
" "	320	5	12	—	—	48	—
" "	350	2	—	—	—	—	—
LNR (USP 87)	80	10	14	16	2	5½	6
" "	90	4	7½	8½	4½	7	10
" "	100	1	3½	4½	13	15	18
P & O (USP 149)	100	51	51	—	0¼	1	—
" "	110	41	41	—	0½	2	—
" "	120	31	31	32	1	2	4
" "	130	21	25	25	1½	4	6
" "	140	12½	15	19	3	8	13
" "	150	4	8	12	13	20	23
RCL (USP 491)	420	77	85	94	2	6	12
" "	460	42	54	65	5	14	22
" "	500	16	28	40	22	30	35
" "	550	4	11	—	62	64	—
" "	600	1	2	—	112	112	—
" "	650	1	—	—	162	—	—
RTZ (USP 604)	420	185	187	—	2	—	—
" "	460	145	147	—	2	4	—
" "	500	105	110	124	2	8	13
" "	550	55	70	84	5	15	23
" "	600	27	40	50	22	27	35
VRF (USP $118)	70	—	—	—	1	—	—
" "	80	—	—	—	1	—	—
" "	90	27½	31	33	1½	3	5
" "	100	18½	22½	24	2	5½	9
" "	110	10½	16	19	4½	8½	12½
" "	120	5	11	14	8	15	17½
" "	130	3	6	10	15	—	25
" "	140	1½	5½	7	—	—	—

Option		CALLS June	CALLS Sept.	CALLS Dec.	PUTS June	PUTS Sept.	PUTS Dec.
BHM (USP 416)	360	58	73	80	4	6	9
" "	390	28	53	57	10	15	20
" "	420	18	30	35	23	28	35
GKN (USP 156)	160	10	16	22	10	12	13
" "	180	3	7	14	26	28	31

Apr. 15 Total Contracts 3,652 Calls 3,283 Puts 369

APPOINTMENTS

Burt Edwards joins Jardine

A well-known name in the world of finance-related risks has joined JARDINE CREDIT INSURANCE. Mr Burt Edwards, author of Export Credit and editor of Credit Management Handbook joins the group as director of Jardine Credit Insurance and managing director of a new subsidiary — Jardine Financial Risk Management. He was export finance manager with the Midland Bank.

*

Mr Michael Sprague has been appointed director of international operations for NAIRN INTERNATIONAL, responsible for the group's overseas activities in Australia, Belgium, Denmark, France, Germany, Holland and the U.S. He joined Nairn in 1977 as sales and marketing director, Nairn Coated Products.

*

Mr Brian Wood has been appointed to the main board of FORELLE as financial director. Mr Maurice Perter has been appointed managing director of two subsidiaries: Capegrove Properties and Forelle Estates.

*

FRANK HORSELL GROUP, Leeds, has appointed Mr John R. Waters, product manager with Horsell Graphic Industries, as sales director of Horsell Repro Supplies.

*

ALLEGRO COMPUTER SERVICES has appointed Mr Peter Hipwell as sales and marketing director, Mr Paul Wills as engineering director and Mr James Butterfield as financial director (non-executive).

BASE LENDING RATES

A.B.N. Bank	10 %	■ Guinness Mahon	10 %
Al Baraka International	10 %	■ Hambros Bank	10 %
Allied Irish Bank	10½%	Heritable & Gen. Trust	10½%
Amro Bank	10½%	■ Hill Samuel	§10½%
Henry Ansbacher	10 %	C. Hoare & Co.	†10 %
Arbuthnot Latham	10½%	Hongkong & Shanghai	10 %
Armco Trust Ltd.	10 %	Kingsnorth Trust Ltd.	12 %
Associates Cap. Corp.	10 %	Knowsley & Co. Ltd.	10½%
Banco de Bilbao	10 %	Lloyds Bank	10 %
Bank Hapoalim BM	10½%	Mallinhall Limited	10 %
BCCI	10½%	Edward Manson & Co.	11½%
Bank of Ireland	10½%	Midland Bank	10 %
Bank Leumi (UK) plc	10½%	■ Morgan Grenfell	10 %
Bank of Cyprus	10½%	National Westminster	10 %
Bank Street Sec. Ltd.	10½%	Norwich Gen. Tst.	10 %
Banque Belge Ltd.	10½%	P. S. Refson & Co.	10½%
Banque du Rhone	11½%	Roxburghe Guarantee	11 %
Barclays Bank	10 %	Royal Trust Co. Canada	10 %
Beneficial Trust Ltd.	11½%	Slavenburg's Bank	10½%
Bremar Holdings Ltd.	11 %	Standard Chartered	‖10 %
Brit. Bank of Mid. East	10 %	Trade Dev. Bank	10½%
■ Brown Shipley	10½%	Trustee Savings Bank	10½%
Canada Perm't Trust	11 %	TCB	10½%
Castle Court Trust Ltd.	10½%	United Bank of Kuwait	10 %
Cayzer Ltd.	10½%	Volkskas Intl. Ltd.	10 %
Cedar Holdings	11 %	Westpac Banking Corp.	10½%
■ Charterhouse Japhet	10½%	Whiteaway Laidlaw	10½%
Choulartons	11½%	Williams & Glyn's	10 %
Citibank Savings	¶10 %	Wintrust Secs. Ltd.	10 %
Clydesdale Bank	10 %	Yorkshire Bank	10 %
C. E. Coates	10½%		
Comm. Bk. of N. East	10½%		
Consolidated Credits	10½%		
Co-operative Bank	*10½%		
The Cyprus Popular Bk.	10 %		
Duncan Lawrie	10 %		
E. T. Trust	11 %		
Exeter Trust Ltd.	11 %		
First Nat. Fin. Corp.	13 %		
First Nat. Secs. Ltd.	13 %		
Robert Fraser	11½%		
Grindlays Bank	‡10 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 7.5%, 1-month 7.75%. Short-term £8,000/12-months 10.1%.
† 7-day deposits on sums of: under £10,000 6¾%, £10,000 up to £50,000 7¾%, £50,000 and over 8½%.
‡ Call deposits £1,000 and over 6¾%.
§ 21-day deposits over £1,000 7¾%.
‖ Demand deposits 7¾%.
¶ Mortgage base rate.

Granville & Co. Limited

(formerly M. J. H. Nightingale & Co. Limited)

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

Over-the-Counter Market

1982-83 High	Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	P/E Fully taxed
142	120	Ass. Brit. Ind. Ord.	135	—	6.4	4.7	7.9	10.3
158	117	Ass. Brit. Ind. CULS	151	—	10.0	6.6	—	—
74	57	Airsprung Group	62	—	6.1	9.8	17.7	17.7
46	30	Armitage & Rhodes	30	—	4.3	14.3	3.3	5.9
315	197	Bardon Hill	315	—	11.4	3.6	13.2	16.7
142	100	CCL 11pc Conv. Pref.	142	+1	15.7	11.1	—	—
270	210	Cindico Group	210	—	17.6	8.4	—	—
58	52	Deborah Services	52	—	6.0	11.5	3.4	9.3
97	77	Frank Horsell	97	—	—	—	8.1	8.7
95½	75½	Frank Horsell Pr Ord 87	95½	—	8.7	9.1	10.6	11.4
83	61	Frederick Parker	62	—	7.1	11.5	3.9	6.2
55	34	George Blair	34	—	—	—	6.9	12.3
100	74	Ind. Precision Castings	80	—	7.3	9.1	10.3	13.0
161	100	Isis Conv. Pref.	161	+2	15.7	9.8	—	—
143	94	Jackson Group	142	—	7.5	5.3	4.4	9.0
206	111	James Burrough	206	+1	9.6	4.7	15.0	16.7
280	148	Robert Jenkins	154	—	20.0	13.0	1.6	24.4
83	54	Scruttons "A"	71	—	5.7	8.0	9.2	11.1
167	112	Torday & Carlisle	114	—	11.4	10.0	5.1	8.7
29	21	Unilock Holdings	25½	—	0.46	1.8	—	—
85	64	Walter Alexander	67	—	6.4	9.6	4.8	6.9
270	214	W. S. Yeates	264	+1	17.1	6.5	4.1	8.4

Prices now available on Prestel page 48146.

MARTIN CURRIE & CO.

INVESTMENT TRUST COMPANIES AT 31st MARCH 1983

Total Assets less Current Liabilities £ million	Geographical Spread UK %	North America %	Japan %	Other %		Net Asset Value Prior charges at par p	Share Price p	Gross Yield %	Total Return on NAV (base=100)* 5 yrs	1 yr
33.8	57	30	9	4	St. Andrew Tst.	286.1	233	4.1	215.8	146.3
182.9	51	34	9	6	Scottish Eastern Inv. Tst.	154.8	110	4.4	210.8	143.3
41.9	38	38	17	7	Scottish Ontario Inv. Co.	149.2	130	3.5	200.7	145.9
95.9	54	36	8	2	Securities Trust of Scotland	214.8	160	4.9	213.6	145.6

* (Source: Wood Mackenzie & Co)

29 CHARLOTTE SQUARE, EDINBURGH EH2 4HA. TEL 031-225 3811

NOTE: Publication of this table is to be discontinued. From next month, information about the Companies will continue to be available monthly in the table prepared and published by The Association of Investment Trust Companies.

LADBROKE INDEX

based on FT Index

691-696 (+7)

Tel.: 01-493 5261

EUROPEAN OPTIONS EXCHANGE

Series		June Vol.	June Last	Sept. Vol.	Sept. Last	Dec. Vol.	Dec. Last	Stock
D/FL C	F.275	3	3,90	—	—	—	—	F.274,75
D/FL C	F.280	156	1,70	—	—	—	—	"
D/FL P	F.260	87	0,60	—	—	—	—	"
D/FL P	F.265	297	3	1	5	—	—	"
D/FL P	F.270	5	4,30	—	—	—	—	"
D/FL P	F.275	20	5,50	—	—	1	15	"
SILV C	$10	12	2,60	—	—	63	4,20	$11,85
SILV C	$11	25	1,60	—	—	—	—	"
SILV C	$12	10	1,10	50	2	4	2,35	"
SILV P	$11	—	—	2	1,10 A	23	1,30	"
		May		Aug.		Nov.		
GOLD C	$400	7	46	—	—	—	—	$437
GOLD C	$425	154	26	10	40	13	56	"
GOLD C	$450	81	10,50 A	31	26	32	38	"
GOLD C	$475	27	5	81	18	15	30	"
GOLD C	$500	1	3	44	11	—	—	"
GOLD C	$550	14	0,90	—	—	24	10	"
GOLD P	$375	41	2	—	—	—	—	"
GOLD P	$400	—	—	22	9	15	13	"
GOLD P	$425	12	7	23	18	—	—	"
GOLD P	$450	3	20	—	—	50	33,50 A	"
12¾ NL 81 87-91								
C	F.127,50	20	3,60 A	—	—	—	—	F.131,30
C	F.130	515	1,80	290	3,30 A	—	—	"
C	F.135	20	0,20	10	0,50	—	—	"
P	F.127,50	—	—	25	1 A	—	—	"
P	F.130	105	1 A	129	2	44	3	"
P	F.135	130	3,80	—	—	—	—	"
10¾ NL 80 86-95								
C	F.117,50	50	0,10	—	—	—	—	F.112,50
11¼ NL 82 88-92								
C	F.107,50	15	7	—	—	—	—	F.115
C	F.112,50	60	2,70	—	—	—	—	"
C	F.117,50	50	0,10	—	—	—	—	"
C	F.120	50	0,10	—	—	—	—	"
7¾ NL 82 89-93								
C	F.100	25	0,40	120	0,60 A	12	1,30	F.98,50
P	F.102,50	—	—	—	—	20	5	"
10 NL 82-11 86-89								
C	F.107,50	100	1,50	—	—	—	—	F.109,20
7½ NL 83 87-90								
C	F.97,50	—	—	50	1,60	—	—	F.98,10
P	F.97,50	—	—	10	1	24	1,80 A	"
P	F.100	—	—	50	3	—	—	"
		April		July		Oct.		
AKZO C	F.40	152	19,60	—	—	—	—	F.59,70
AKZO C	F.55	173	4,50	472	7,50	—	—	"
AKZO C	F.60	882	0,30	549	4,60 A	—	—	"
AKZO C	F.65	—	—	108	2,50	—	—	"
AKZO P	F.60	125	0,60	208	4,50	—	—	"
GIST C	F.150	225	0,10	—	—	—	—	F.147,50
GIST P	F.150	277	2,50	—	—	—	—	"
HEIN C	F.110	120	31 B	—	—	—	—	F.142
HEIN C	F.120	111	21 B	—	—	—	—	"
HEIN C	F.140	—	—	152	9	—	—	"
HOOG C	F.22,50	210	0,10	—	—	—	—	F.23,40
HOOG C	F.25	—	—	113	1,50	—	—	"
HOOG P	F.20	—	—	—	—	84	1,70	"
KLM C	F.150	456	0,50	—	—	—	—	F.149,50
KLM C	F.160	—	—	84	7,50	—	—	"
KLM C	F.170	—	—	77	4,50	—	—	"
KLM P	F.150	584	0,50	—	—	—	—	"
NEDL P	F.90	—	—	286	6,60	—	—	F.95,20
NEDL P	F.100	441	3	—	—	—	—	"
PHIL C	F.25	335	22,40	—	—	—	—	F.47,90
PHIL C	F.27,50	229	19,90	—	—	—	—	"
PHIL C	F.30	222	17,20	—	—	—	—	"
PHIL C	F.32,50	294	15,20 A	100	15,30 B	—	—	"
PHIL C	F.35	194	12,40	—	—	—	—	"
PHIL C	F.40	1580	7,20	748	8,30	80	9,70	"
PHIL C	F.45	—	—	1014	5,60	345	6,80	"
PHIL C	F.50	—	—	1937	3,20	563	4,50	"
PHIL P	F.45	—	—	1280	2	—	—	"
RD C	F.100	448	15,70	300	16,70	90	17,50	F.116,30
RD C	F.110	1127	6,70	869	9,10	197	10,50 A	"
RD C	F.120	—	—	715	3,10	236	6,30 A	"
RD P	F.110	—	—	125	3	—	—	"
UNIL C	F.200	97	31,50	52	25	—	—	F.223
UNIL C	F.220	430	1,80	176	12,70 A	17	16	"
UNIL P	F.220	—	—	80	10	—	—	"

TOTAL VOLUME IN CONTRACTS 36,914

A=Asked B=Bid C=Call P=Put

Wall St continues to climb

STOCK PRICES continued to climb to record levels in moderately heavy volume on Wall Street yesterday, although prices were being stalled somewhat by investors waiting for the weekly Money Supply figures.

The Dow Jones Industrial Average, which hit record closing levels two days in a row, gained a further 3.96 to 1,169.21 by mid-day, making a rise of 44.60 on the week, while the NYSE All Common Index, at $91.09, rose 25 cents on the day and $3.22 on the week. Advancing issues were ahead of declines by more than an eight-to-five majority, while the volume expanded 4.53m shares to 57.19m.

One analyst said investors generally expect a rise in the Money Supply M-1 of about $2bn.

He said an increase of this magnitude will reinforce investor confidence that the Federal Reserve will continue to be accommodating on interest rates.

The main pressure on the Stock Market is that six successive days of rises should lead to some profit-taking.

A technical selloff was in part averted by some good economic news released yesterday.

The Government yesterday morning announced that U.S. Industrial Production rose 1.1 per cent in March and that U.S. Wholesale Prices declined 0.1 per cent for the month.

Motors remained active. Chrysler, on a turnover of nearly 900,000 shares, moved to $21¾.

ATT, the second most active issue gained $¼ to $66½.

Paradyne fell $3¼ to $26¾—it is involved in a contract dispute with the Social Security Administration.

Metromedia, the highest priced stock on the New York Exchange, were lifted $43¾ to $498.

Lockheed, which rose $8¾ Thursday, came back $1⅞ to $113.

THE AMERICAN SE Market Value Index further advanced 2.76 to 406.97, making a rise of 17.83 on the week. Trading volume expanded 249,000 shares to 5.34m, compared with mid-day Thursday.

Closing prices for North America were not available for this edition.

Canada

Sharply ahead at midsession with only Golds showing losses.

The Toronto Composite Index was up 21.2 at 2,266.8, Metals and Minerals 11.1 at 2,103.1, Oil and Gas 38.2 at 3,909.2, Banks 5.57 at 510.31 and Utilities 6.25 at 286.83. Golds lost 78.5 to 4,593.0 in sympathy with an easing in Bullion prices on International Markets.

Hiram Walker Resources, up $¼ at $24¼ in active trading, said it reached an accord to drill on Dome Petroleum (up 5 cents at $3.75) lands offshore Nova Scotia and in the Arctic Islands.

Germany

Leading stocks gained sharply for the second consecutive day to finish on a strong note as the post-election rally regained momentum after a bout of profit-taking and consolidation early in the week.

Dealers reported modest turnover, with much of the demand coming from Domestic investors. The surge on Stock Exchanges in the U.S., Tokyo and London—coupled with optimism over a West German economic recovery expressed in the Bundesbank's annual report, produced a bullish mood.

The Commerzbank Index soared to 922 from 910.5 Thursday, and just below a 22-year high of 923.5 recorded on April 6.

Motors continued in strong demand. BMW gained DM 9.5 to 330, Daimler DM 4.5 to 526.5 and VW DM 4 to 176.5.

The "Big Three" Banks were also strong.

Precious Metals Refiner Degussa jumped DM 12.1 to 302.

Bayer were steady at DM 138.1, following its warning of a sharp dividend cut.

Paris

Share prices showed no clear trend in a calm pre-weekend session. Market participants said the firmness observed on Wall Street earlier this week continued to prompt some buying.

Others, however, said the news that French Retail Prices rose an estimated 0.9 per cent in March after a 0.7 per cent increase in February had dampened investor enthusiasm.

Banks, Oils and Chemicals were mostly in demand, while Portfolios, Foods, Constructions, Stores and Metals were disappointing.

BCT-Midland were up FFr 6 to 175 on news of its planned restructuring of French operations.

In Foreign shares, Americans, Germans, Dutch, Golds, Oils and Coppers were all up on Wall Street's earlier rise.

Amsterdam

Higher following Wall Street's overnight record.

In Dutch Internationals, KLM rose Fl 3 to 149.5 on its higher March load figures.

Among Insurances, Amev rose Fl 3.5 to 123.5 on a higher dividend.

Builder Boskalis were Fl 2.7 higher at 48.0 on its higher 1982 profits.

Amfas were indicated Fl 8 lower at 82, but was not Officially quoted for the second day because of concern about its 1982 results, due shortly.

Switzerland

Mixed in fairly active trading ahead of the long holiday weekend.

In Industrials, interest concentrated on Nestle, which rose SwFr 60 to 4,000 in active trading on speculation of a dividend increase.

The Swiss Bond Market closed firm in moderately active trading on expectations that interest rates will fall in the medium term.

Active Dollar stocks traded above overnight New York close. Dutch Internationals steady. Germans generally higher.

Milan

Sharply lower on heavy selling across the Board in the last session of the April trading month.

Sales continued to dominate the market in after-Bourse dealings, and a broker referred to the day's trading as "undoubtedly the worst sitting of the year." The heavy sales were almost exclusively the result of technical factors.

Tokyo

After holding ground most of the day, prices retreated near the close. The Nikkei Dow Jones Index slipped 2.05 to 8,552.16. Trading 580m (470m) shares.

Electricals, Precision Instruments, Pharmaceuticals and other Blue Chips weakened.

"Small-capital" Steel Manufacturers were active due to a recovery in sales of steel rods. Tokyo Steel gained Y23 to Y543 and Yamato Kogyo Y12 to Y815.

Yamaha Motor fell Y35 to Y530—it plans to cuts its motorcycle production and its workforce during its 1983 fiscal year, which begins May 1.

Australia

Share prices were mixed as markets began to have second thought about the results of the National Economic Summit and the Esso-BHP oil find.

Brokers said despite somewhat sceptical morning Press reports of the oil and gas indications in the Bass Strait Whiting No. 1 well, BHP shares were pushed up to new 1983 highs of A$7.84, before settling back to A$7.54, down a net 12 cents, when the report from the well was revised to indicate that it will just be a gas well.

Elsewhere, Property stocks were stronger following promises emerging from the Summit that the Government would boost spending in Housing as a first step in getting the economy back on its feet.

Among Mines, the "cheaper" Gold issues were in demand due to higher International Bullion prices.

Oil and Gas issues were generally easier.

In Building Materials, Pioneer Concrete were 11 cents lower at A$1.59.

CANADA

Stock	Apr. 14	Apr. 13
AMCA Intl	25	25⅛
Abitibi	22	22⅛
Agnico Eagle	18⅝	17⅞
Alberta Energy	15⅛	14⅞
Alcan Alumin	37⅛	37
Algoma Steel	30	29
Asbestos	11⅝	11⅝

DENMARK

Apr. 15	Price Kroner	+ or —
Aarhus Olie	365.0	—1.4
Andelsbanken	279	.....
Baltica Skand	465.0	—5.4
CopHandelsbank	271.4	—1.0
D. Sukkerfab	507.0	—2.6
Danske Bank	283.6	—0.2
East Asiatic	126.6	—1.0

NETHERLANDS

Apr. 15	Price Fls.	+ or —
ACF Holding	166	+4
Ahold	172.5	+5
AKZO	59.7	+1.7
ABN	376	—2
AMEV	123.5	+3.5
AMRO	62.5	+0.7
Bredero Cert	192	+6.5

AUSTRALIA

Apr. 15	Price Aust. $	+ or —
ANZ Group	3.86	—0.01
Acrow Aust	0.75	+0.05
A.O.D.	0.72	.....
Ampol Pet	1.60	+0.1
Assoc. Pulp Pap	1.85	.....
Aust. Cons. Ind	1.29	+0.01
Aust. Guarant	2.50	+0.05
Aust. Nat. Inds	2.38	—0.02
Aust. Paper	1.92	—0.01

JAPAN (continued)

Apr. 15	Price Yen	+ or —
Konishiroku	602	—15
Kubota	331	+1
Kumagia	400	—4
Kyocera	4,860	—80
Maeda Const	546	+10
Makino Milling	720	+20
Makita	986	—24
Marubeni	319	+10
Marudai	579	+4

Indices

NEW YORK ACTIVE STOCKS

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Sterling firm

Sterling continued to improve in currency markets yesterday. Trading was a little thin ahead of the weekend with the pound tending to move up initially in line with a firmer dollar. This pushed it firmer against European currencies and after a slight dip around noon, finished the day on a strong note. This was reflected in its Bank of England trade weighted index which opened at 82.8 up from 82.4 on Thursday and dipped to 82.7 at noon before finishing at 82.9, its best level since early January. Against the dollar it traded between a high of $1.5495 and a low of $1.5395 before finishing at $1.5475-1.5485, a rise of 75 points and its highest close for two months.

It improved against the D-mark to DM 3.7775 from DM 3.76 and SwFr 3.1650 from SwFr 3.1575. It was also higher in terms of the French franc at FFr 11.3150 compared with FFr 11.26 and rose against the Japanese yen to Y368 from Y367.25.

The dollar showed little overall change from Thursday's closing levels. Trading was rather quiet ahead of the weekend. Eurodollar rates were a little easier with expectations of a small decline in this week's U.S. money supply figures, due for release after the close of business in London. The dollar was unchanged against the D-mark at DM 2.4385 but eased against the Swiss franc to SwFr 2.0435 from SwFr 2.049. It fell against the yen to Y237.5 from Y238.25 but improved in terms of the French franc to FFr 7.3125 from FFr 7.31. On Bank of England figures the dollar's trade weighted index slipped to 122.5 from 122.7.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 15	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.3662	44.9672	+1.40	+0.53	±1.5430
Danish Krone ...	8.04412	8.01782	−0.33	−1.30	±1.6419
German D-Mark	2.21515	2.25649	+1.87	+1.00	±1.0867
French Franc ...	6.79271	6.76708	−0.38	−1.25	±1.4018
Dutch Guilder ...	2.49587	2.54304	+1.88	+1.02	±1.4941
Irish Punt	0.71705	0.714392	−0.37	−1.24	±1.6690
Italian Lira	1386.78	1344.34	−3.06	−3.06	±4.1453

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

THE POUND SPOT AND FORWARD

April 15	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.5395-1.5495	1.5475-1.5485	0.17-0.12c pm	1.12	0.40-0.35 pm	0.97
Canada	1.8980-1.9100	1.9080-1.9090	0.20-0.10c pm	0.94	0.35-0.25 pm	0.63
Nethlnd.	4.22½-4.28½	4.26¾-4.28¾	1⅞-1⅝c pm	4.88	5⅛-4⅝ pm	4.70
Belgium	74.70-75.40	75.25-75.35	3-13c dis	−1.27	10-20 dis	−0.79
Denmark	13.33-13.40	13.39-13.40	2⅞-4ore dis	−3.08	7⅞-9 dis	−2.50
Ireland	1.1878-1.1965	1.1946-1.1956	0.40-0.53p dis	−3.66	0.95-0.83dis	−2.80
W. Ger.	3.75-3.78½	3.77¼-3.78¼	2-1½pf pm	5.55	5-4½ pm	5.03
Portugal	150.00-152.00	150.75-151.75	370-1380c dis	−69.90	680-2215dis	−38.25
Spain	209.30-210.60	210.15-210.35	145-260c dis	−11.56	435-600	−9.84
Italy	2,236-2,248	2,246-2,248	8½-11½lire dis	−5.80	31-35	−5.95
Norway	11.00-11.07	11.05½-11.06½	2⅝-3½ore dis	−3.19	7⅞-9¼	−3.10
France	11.25¾-11.32½	11.31-11.32	1⅛-2⅛c dis	−1.95	7⅞-9¼ dis	−3.09
Sweden	11.54-11.58	11.58-11.59	par-¼ore dis	−0.13	2-2¼	−0.82
Japan	365½-368½	367½-368½	1.33-1.19y pm	4.20	3.80-3.53 pm	3.98
Austria	26.40-26.55	26.50-26.55	12¾-10gro pm	5.03	33½-28¼ pm	4.68
Switz.	3.14½-3.17¾	3.16-3.17	1⅞-1⅝c pm	6.16	5-4½ pm	6.00

Belgian rate is for convertible francs. Financial franc not available. Six-month forward dollar 0.59-0.54c pm. 12-month 0.70-0.60c pm.

THE DOLLAR SPOT AND FORWARD

April 15	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.5395-1.5495	1.5475-1.5485	0.17-0.12c pm	1.12	0.40-0.35 pm	0.97
Ireland†	1.2885-1.2975	1.2945-1.2960	0.73-0.60c pm	6.16	1.75-1.50 pm	5.02
Canada	1.2322-1.2331	1.2326-1.2331	par-0.03c dis	−0.15	0.02-0.06dis	−0.15
Nethlnd.	2.7410-2.7470	2.7455-2.7470	0.85-0.75c pm	3.50	2.63-2.53dis	3.75
Belgium	48.52-48.65	48.63-48.66	5-8c dis	−1.72	17-21 dis	−1.56
Denmark	8.6425-8.6575	8.6550-8.6575	2.50-3.00ore dis	−3.81	6.10-6.90dis	−3.00
W. Ger.	2.4300-2.4440	2.4380-2.4390	0.91-0.86pf pm	4.36	2.53-2.48 pm	4.11
Portugal	97.3-98.8	97.3-98.8	250-900c dis	−70.37	450-1450dis	−38.75
Spain	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	−10.68
Italy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	−7.37
Norway	7.1400-7.1530	7.1480-7.1530	1.40-2.90ore dis	−4.46	6.80-7.40dis	−3.97
France	7.2950-7.3150	7.3100-7.3150	1.90-2.30c dis	−3.12	7.35-8.10dis	−4.29
Sweden	7.4625-7.4900	7.4850-7.4900	0.5-1.20ore dis	−1.59	2.70-3.10dis	−1.56
Japan	237.40-238.10	237.35-237.65	0.50-0.45y pm	2.40	1.50-1.37 pm	2.38
Austria	17.11-17.14	17.12½-17.13½	5.90-4.10gro pm	3.50	17.50-15.00pm	3.79
Switz.	2.0385-2.0480	2.0430-2.0440	0.95-0.91c pm	4.90	2.64-2.59 pm	5.12

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 48.50-49.00.

EXCHANGE CROSS RATES

Apr. 15	Pound Stirling	U.S. Dollar	Deutschem'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.549	3.778	368.0	11.32	3.165	4.258	2247.	1.909	75.20
U.S. Dollar	0.646	1.	2.440	237.7	7.309	2.045	2.750	1452.	1.233	48.64
Deutschemark	0.265	0.410	1.	97.42	2.995	0.838	1.127	594.8	0.505	19.93
Japanese Yen 1,000	2.717	4.207	10.26	1000.	30.75	8.601	11.57	6106.	5.186	204.5
French Franc 10	0.884	1.368	3.338	325.2	10.	2.797	3.763	1986.	1.687	66.55
Swiss Franc	0.316	0.489	1.194	116.3	3.576	1.	1.346	710.0	0.603	23.79
Dutch Guilder	0.235	0.364	0.887	86.44	2.658	0.743	1.	527.8	0.448	17.69
Italian Lira 1,000	0.445	0.689	1.681	163.8	5.036	1.409	1.895	1000.	0.849	33.51
Canadian Dollar	0.524	0.811	1.979	192.8	5.929	1.658	2.231	1177.	1.	39.46
Belgian Franc 100	1.329	2.056	5.017	488.7	15.03	4.203	5.664	2984.	2.536	100.

MONEY MARKETS

Further shortage

UK clearing bank base lending rates 10 per cent (since April 15 and 18)

Day to day credit was in short supply in the London money market yesterday. The Bank of England gave an early forecast of a shortage of around £800m and invited early tenders for bill purchases. Factors affecting the market included bills maturing in official hands and a net take up of Treasury bills—£325m and Exchequer transactions—£340m. There was also a rise in the note circulation of £230m. Initial assistance by the Bank comprised purchases of £145m of eligible bank bills, £61m in band 1 (up to 14 days) at 10 1/16 per cent. £45m in band 2 (15 33 days) at 10 per cent. £17m in band 3 (34-63 days) at 9 13/16 per cent and £22m in band 4 (64-84 days) at 9¾ per cent.

Later in the morning the Bank gave help of £556m. This comprised purchases of £145m of eligible bank bills in band 1. £219m in band 2, £130m in band 3 and in band 4 £52m of eligible banks bills and £10m of Treasury bills (64-91 days). The shortage was later revised to £850m before taking into account the morning's operations and the authorities gave further help of £175m comprising purchases of £73m of eligible bank bills in band 2, £23m in band 3 and £79m in band 4.

In the interbank market weekend money opened at 10¼-10½ per cent and eased to a low of 9 per cent before finishing at 11 per cent.

LONDON MONEY RATES

Apr. 15 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills	Eligible Bank Bills	Fine Trade Bills
Overnight	—	9-11	—	—	—	9¾-10⅛	9½-10¼	—	—	—
2 days notice	—	—	10¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	10⅛-10⅜	10⅛-10⅛	—	—	10⅛	10-10⅛	—	—	—
One month	10 3/16-10 1/16	10¼-10 3/16	10¼-10⅜	11-10⅝	10¼	10⅛	10	10 1/16	10 1/16	10 9/16
Two months	10 1/16-10 1/16	10 1/16-10 1/16	10 1/16-10 1/16	10⅝-10⅜	10¼	10⅛	9⅞	9 15/16	9 15/16	10 3/16
Three months	10 1/16-10 1/16	10 1/16-10¼	9 15/16-10 1/16	10⅜-10¼	10¼	10⅜	9⅝	9⅞	9⅞	10⅜
Six months	10 1/16-10 1/16	10-10 1/16	9 15/16-10 1/16	10¼-9⅞	10⅛	10⅜	—	—	9⅝	10¼
Nine months	10 1/16-10	10-10 1/16	10-10 1/16	10⅛-10	10⅛	—	—	—	—	—
One year	10 1/16-10	10-10 1/16	10-10⅛	10¼-10	10⅛	—	—	—	—	—
Two years	—	—	10⅜-10⅝	—	—	—	—	—	—	—

ECGD Rate Export Finance Scheme IV Average Rate for interest period March 2 to April 5 1983 (inclusive): 10.874 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 10⅝-10¾ per cent; four years 10¾-11 per cent; five years 10⅞-11⅛ per cent. ⊕Bank bill rates in table are buying rates for prime paper. Buying rate for four months bank bills 9 23/32-9 11/16 per cent; four months trade bills 10 11/32 per cent.

Approximate selling rate for one month Treasury bills 10 per cent; two months 9⅞ per cent; and three months 9¾ per cent. Approximate selling rate for one month bank bills 10 per cent; two months 9 27/32 per cent and three months 9 11/16 per cent; trade bills 10 7/16 per cent: two months 10 5/16 per cent and three months 10⅛ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 11½ per cent from April 1 1983. London and Scottish Clearing Bank Rates for lending 10 per cent. London Deposit Rates for sums at seven days' notice 6¾ per cent.

Treasury Bills: Average tender rates of discount 9.7566 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held under one month 10½ per cent; one-three months 10¼ per cent; three-six months 10¼ per cent; six-12 months 10¼ per cent. Under £100,000 10 per cent from April 8. Deposits held under Series 3-5 10¼ per cent. The rates for all deposits withdrawn for cash 8 per cent.

OTHER CURRENCIES

Apr. 15	£	$		£ Note Rates
Argentina Peso...	109,280-109,480	70,840-70,890	Austria	26.25-26.55
Australia Dollar..	1.7805-1.7825	1.1505-1.1510	Belgium	76.00-75.75
Brazil Cruzeiro...	667.90-669.90	432.29-434.45	Denmark	13.26-13.39
Finland Markka..	8.40-8.42	5.4210-5.4220	France	11.21-11.31
Greek Drachma..	129.174-130.074	83.60-83.90	Germany	3.74-3.78
Hong Kong Dollar	10.42¾-10.44¼	6.7610-6.7660	Italy	2210-2240
Iran Rial	131.25*	84.90*	Japan	365-370
Kuwait Dinar (KD)	0.4500-0.4510	0.29170-0.29180	Netherlands	4.23-4.26
Luxembourg Fr..	75.25-75.35	48.63-48.65	Norway	10.97-11.07
Malaysia Dollar..	3.6575-3.5675	2.3065-2.3095	Portugal	147-157
New Zealand Dlr.	2.3480-2.3530	1.5168-1.5191	Spain	200-215
Saudi Arab. Riyal	5.3240-5.3320	3.4505-3.4520	Sweden	11.50-11.60
Singapore Dollar	3.2400-3.2500	2.1015-2.1045	Switzerland	3.14-3.17
Sth African Rand	1.6879-1.6914	1.0918-1.0926	United States	1.53¼-1.55¼
U.A.E. Dirham...	5.6650-5.6740	3.6720-3.6735	Yugoslavia	121-137

*Selling rates.

EURO-CURRENCY INTEREST RATES

(Market closing rates)

Apr. 15	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	10½-10½	10¼-10⅛	10¼-10⅜	10 1/16-10 1/16	10 1/16-10 1/16	10⅛-10 1/16
U.S. Dollar	8¾-9	8 15/16-9 1/16	8⅞-9⅛	9 1/16-9 3/16	9⅛-9⅜	9⅛-9⅝
Can. Dollar	8-9	8.9	9⅛-9⅜	9¼-9½	9¼-9½	9 7/16-9 11/16
D. Guilder	6-6½	6.5⅛	5⅞-5 15/16	5½-5⅝	5⅝-5¾	5 ⅞-6
S. Franc	2¾-3¼	3-3½	4 1/16-4 3/16	3 15/16-4 1/16	4-4⅛	4-4⅛
Deutschm'rk	4⅝-4⅞	4 1/16-4 3/16	4⅝-4¾	4 15/16-5 1/16	5⅛-5¼	5 3/16-5 5/16
Fr'nch Franc	12-12⅝	12-12⅝	12-12⅝	13¼-13⅝	14⅜-14¾	15¾-16⅛
Italian Lira	16½-17½	15⅝-17	15½-16½	16¼-17	17-17⅝	17⅜-18⅛
Belg. Franc Conv.	10½-11	10⅛-11½	10⅜-11¼	10½-11	10⅝-11½	11-11⅛
Fin.	11-11⅛	11-11⅛	10⅝-10⅞	10½-10¾	10½-10¾	10½-10¾
Yen	6-6⅛	6¼-6⅜	6 5/16-6 7/16	6¼-6⅜	6¼-6⅝	6 7/16-6 9/16
D. Krone	13⅞-14¼	12½-12⅞	12⅛-12⅛	11⅞-12¼	11⅝-12	11⅞-12¼
Asia $ (Sing.)	8⅞-9	9-9⅛	9 1/16-9 3/16	9⅛-9¼	9¼-9⅜	9½-9⅝

FT LONDON INTERBANK FIXING

(11.00 a.m. APRIL 15)

3 month U.S. dollars		6 months U.S. dollars	
bid 9 1/8	offer 9 1/4	bid 9 1/4	offer 9 3/8

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

COMMODITIES AND AGRICULTURE

REVIEW OF THE WEEK

UK and U.S. cocoa bean demand cut

BY OUR COMMODITIES STAFF

UK COCOA bean grindings fell sharply in the first quarter of this year to 19,825 tonnes, down 21.75 per cent compared with the same period last year, the Cocoa, Chocolate and Confectionery Alliance announced yesterday. But the announcement, which coincided with news that U.S. grindings for the same period were 3.9 per cent down from the 1982 level, had little impact on market sentiment.

Nearby values on the London futures market steadied a little despite the continued rise in sterling and the July position ended up £12 on the day and £5 on the week at £1,238.50 a tonne.

The U.S. grinding figure completed the set of major consumption indicators—earlier in the week a bigger-than-expected 1.2 per cent grindings rise had been announced for West Germany.

The rise in sterling tended to depress coffee futures prices with the July quotation ending £44.50 down on the week at £1,622 a tonne.

Meanwhile coffee producing countries meeting in London agreed a package of stricter controls on sales to non-International Coffee Organisation members. They suspect that some of this coffee has been re-sold to member countries helping to undermine world prices.

The world sugar market remained depressed, the London daily price falling £8 on the week to £102 a tonne. Dealers attributed the fall mainly to currency factors adding that reports of EEC beet sowing delays seemed to be causing little concern.

The Group of Latin American and Caribbean Cane Sugar Exporting Countries (Geplacea) meeting in Mexico City this week agreed a joint stance on the proposed new International Sugar Agreement. They want the pact to be based on a combination of export quotas and special stocks, giving preferential treatment to developing countries.

Tin prices fell sharply on the London Metal Exchange this week, following heavy speculative selling. The standard grade three months quotation dropped by £449.5 to £8,832.5 a tonne and the cash price lost £415.5 to £8,875, thus widening its recently established premium over the three months' quotation.

It is believed that in view of the rise in the value of sterling, the buffer stock of the International Tin Council has lowered its support buying level in London and is concentrating on keeping the cash price in line with the Penang market. Indeed the Straits tin price in Penang this week rose by a further 28 Malaysian cents to M$31.83 a kilo and is now just below the International Tin Agreement's mid-price range of M$32.06 to M$34.98.

Copper prices were easier. The depressing impact of firmer sterling was offset to some extent by the steady trend in gold. But the market was hit by news that one of the major U.S. producers, Kennecott, had reached a tentative agreement with the unions on new labour contracts to replace the existing contracts expiring in June.

The threat of a U.S. copper strike this summer has been an important background influence sustaining prices and traders are becoming increasingly uncertain about whether the recovery in the American economy will be sufficiently strong to boost demand and prices significantly.

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1983 High	1983 Low
Hard Winter Wheat	‡	—	‡	‡	‡
SPICES					
Cloves (g)	$5,300w	−600	$5,650	$6,900	$5,000
Pepper, white	$1,700w	−75	$1,900	$1,900	$1,700
" black	$1,275w	—	$1,450	$1,425	$1,275
OILS					
Coconut (Philippines)	$590x	—	$500	$592	$450
Groundnut Sy	‡	—	$680	$505	$435
Linseed, Crude	£322	—	‡	£332	£308
Palm Malayan	$420z	+15	$502.5	$420	$355
SEEDS					
Copra (Philippines)	$390x	—	$330	$385	$295
Soyabeans (U.S.)	$258	−0.5	$269.75	$261	$233.5
OTHER COMMODITIES					
Cocoa Shipments §	£1,250	−4	£1,011	£1,404	£1,127
Cocoa Futures July	£1,238.5	+5	£948.5	£1,366.5	£1,108
Coffee Futures July	£1,622	−44.5	£1,151.5	£1,940.5	£1,558
Cotton Index	79.90c	−0.2	71.20c	80.30c	70.35c
Des. Coconut	£680	—	£590	£700	£510
Gas Oil Fut. May	$242	−7	$278	$277.5	$220
Jute LJA BWC grade	‡	—	£269	£340	£240
Rubber kilo	79p	+0.5	55.75p	80.5p	60p
Sago Pearl	£270w	—	£22 5	£270	£243
Sisal No. 3L	$645	—	$640/650	$655	$620/650
Sugar (Raw)	£102w	−8	£142	£115	£95
Tapioca No. 1	£285w	−5	£220	£290	£255
Tea (quality) kilo	147p	—	‡	155p	144p
(low med.) kilo	125p	—	‡	125p	119p
Wooltops, 64s Warp	400p kilo	—	394p kilo	409p kilo	372p kilo

‡ Unquoted. (g) Madagascar. (u) July. (y) Sept. (z) May. (x) May-June. (w) April-May. § Ghana cocoa.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.65-28.80	−0.15
Iranian Light	28.00-28.25	+0.07
Arabian Heavy	26.30-26.40	−0.02
North Sea (Forties)	29.60	−0.85
North Sea (Brent)	29.80	−0.10
African (Bonny L'ht)	30.10-30.15	+0.12
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	304-310	−1.0
Gas oil	245-252	−5.0
Heavy fuel oil	163-166	−0.5

GAS OIL FUTURES

A $3.00 drop on the opening was followed by a slight strengthening through the morning to realign the market with physicals and thereafter it barely moved, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
April	243.25	−3.50	244.00-42.50
May	242.00	−4.25	245.75-41.50
June	240.00	−4.25	241.75-38.50
July	240.00	−4.75	242.00-38.75
Aug	241.75	−4.00	242.75-40.75
Sept	243.00	−3.50	244.00-42.50
Oct	245.75	−4.25	248.75-45.50
Nov	248.50	−3.75	—
Dec	252.00	−1.25	255.25-51.00

Turnover: 3,172 (3,404) lots of 100 tonnes.

GOLD MARKETS

Gold fell just $½ an ounce from Thursday's close in the London bullion market yesterday to finish at $435-436. Trading was extremely quiet and uneventful and after opening at $436-437, the metal traded between a high of $437-438 and a low of $434½-435½.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
April	435.00-36.5	−0.250	—
May	437.00-38.0	−0.250	—
June	440.60-40.8	+0.300	442.00-40.0
July	443.50-44.5	+0.500	—
August	447.10-48.0	+0.900	448.30-47.0
Sept	450.00-52.0	+0.500	—
Oct	454.20-55.0	+0.550	—

Turnover: 307 (626) lots of 100 troy ounces.

	April 15	April 14
Gold Bullion (fine ounce)		

BASE METALS

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1057, 57.50, three months £1086, 87, 86, 85.50, 86, 85, 84, 83, 82, 82.50, 83, 84, 83.50, 84, 84.50. Cathodes: Cash £1042, 40, 39, three months £1062. Kerb: Higher Grade: *Three months £1085, 85, 84.50, 85, 86.* Afternoon: Higher Grade: Three months £1086, 84, 84.50, 85, 87, 87.50. Kerb: Higher Grade: Three months £1086, 85, 84, 84.50, 85, 86. Turnover: 26,775 tonnes.

£904, 03, 04, 03.50, 04, 04.50, 05, 06, 06, 04.50, Kerb: Three months £905. Afternoon: Three months £906, 05, 06, 05.50, 06, 05, *Kerb: Three months* £905, 05.50, 06, 06.50, 06, 07.50, 08.50, 06, 08, 10. Turnover: 17,075 tonnes.

Aluminium	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	878.5-9.5	−4.25	879-80	−2.5
3 months	904-5	−5.25	904.5-5.5	−3.5

COPPER

TIN

NICKEL

SILVER

LEAD

ZINC

ALUMINIUM

GRAINS

Business done—Wheat: May 135.30-4.85, July 137.00-6.55, Sept 118.20 only, Nov 121.10-20.90, Jan 124.10-3.95, March 127.10-6.85. Sales: 189 lots of 100 tonnes. Barley: May 122.35-2.25, Sept 111.75-1.65, Nov 115.00 only, Jan 118.10-8.00, March 120.80 only. Sales: 29 lots of 100 tonnes.

POTATOES

RUBBER

COCOA

COFFEE

SOYABEAN MEAL

SUGAR

INDICES

FINANCIAL TIMES

Apr. 14	Apr. 13	M'th ago	Y'ar ago
270.76	271.65	265.73	245.34

(Base: July 1 1952=100)

REUTERS

Apr. 15	Apr. 14	M'th ago	Y'ar ago
1744.1	1745.9	1722.7	1615.3

(Base: September 18 1931=100)

MOODY'S

Apr. 14	Apr. 13	M'th ago	Y'ar ago
1044.8	1039.4	1036.1	1000.9

(December 31 1931=100)

DOW JONES

AMERICAN MARKETS

NEW YORK, April 14.

Gold and silver showed a firm tone in reaction to the firm tone in financials combined with speculative buying in reaction to reports of Soviet silver purchases. Copper came under aggressive selling in reaction to the reports Kennecott had reached a tentative agreement with the labour unions. Cocoa was under pressure on profit-taking ahead of U.S. grind figures. Coffee firmed on continued evidence of roaster interest at current levels. Sugar recovered from Wednsday's sharp los as renewed commission house buying developed in response to the recovery in precious metals. Cotton was under pressure from poor cash demand and the weak tone to grains. Maize and soyabeans were under the influence of heavy selling traced to the belief that weather conditions will be favourable to planting over the next week, reported Heinold Commodities.

NEW YORK

COCOA 10 tonnes: $/tonnes

	Latest	High	Low	Prev
May	1687	1696	1676	1704
July	1738	1745	1727	1748
Sept	1765	1774	1758	1775
Dec	1805	1809	1797	1815
March	1833	1835	1835	1843
May	1855	1865	1855	1865
July	1884	1894	1894	1894

COFFEE "C" 37,000 lbs: cents/lbs

SUGAR WORLD "11" 112,000 lbs; cents/lbs

	Latest	High	Low	Prev
May	6.88	6.89	6.89	6.73
July	7.28	7.28	7.18	7.18
Sept	7.70	7.70	7.56	7.59
Oct	7.96	7.97	7.84	7.84
March	8.91	8.91	8.80	8.79
May	9.24	9.24	9.12	9.12
July	9.46	9.35	9.32	9.33
Sept	9.75	9.75	9.65	9.61

CHICAGO

WOOL FUTURES

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated, denominations are 25p and prices are in pence. The prices are those at which the business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange Talisman system: they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the five previous days is given with the relevant date.

‡ Bargains at special prices. ◆ Bargains done the previous day. △ Bargains done with non-member or executed in overseas markets.

CORPORATION & COUNTY

UK PUBLIC BOARDS

COMMONWEALTH GOVT.

FOREIGN STOCKS (coupons payable London)

CORPORATIONS—FOREIGN

BANKS, DISCOUNT

BREWERIES

COMMERCIAL, INDUSTRL.

A—B

British Vita 7¼pcDb 1987-92 £73 (8/4). 10¼pcDb 1990-95 £85½ (11/4)
Brooke Bond 5¼pcDb 1980-85 £89¾. 5¼pc Ln 2003-08 £49 (13/4). 7pcLn 2003-2008 £61 ¼ (12/4). 7¼pcLn 2003-08 £70
Brotherhood (Peter) 5½pcPf (£1) 30 (8/4)
Brown Boveri Kent 8pcDb 1988-93 £56½ (13/4). 8pcLn 1988-93 £66 (11/4)
Brown Bros. Corp. 9pcLn 1987-92 £65 (13/4)
Brown (John) 4¾pcLn 1998-2003 £42 (13/4)
Bryant 8pcPf (£1) 55 (11/4)
Burco Dean 6¼pcPf (1985) (£1) 60
Burgess Products A (Non-Vot.) 41 (11/4)
Burns-Anderson 11pcLn 1983-84 £90

C—D

E—F

G—H

I—J—K

International Stand Electr Corp 5½pcLn 1979-89 £75 (12/4)
Isle of Man Enterprises (20p) 42 (13/4)

Jackson (J. & H. B.) 10pcPf (£1) 109 10½
Jamesons Chocolates (10p) 98 100 (13/4)
Johnson & Firth Brown 11.05pcPf (£1) 36. 11pcLn 1993-98 £48 (13/4)
Johnson, Matthey 7¼pcDb 1990-95 £71¼ (13/4)
Johnston Group 10pcPf (£1) 108
Jones (A.) & Sons 6½pcPf (£1) 34 (12/4)
Jones, Stroud (Hldgs) 10pcPf (£1) 106½

Kayser Bondor 6½pcDb 1982-87 £77½
Kelsey Indus 11¼pcPf (£1) 113½

L—M

N—O—P

Q—R—S

T—U—V

Sunbeam Wolsey (I£0.25) I£0.29½p 25½ 6 8 (13/4). 6pcPf (I£20) (12/4)
Superdrug Stores (10p) 260 2 3 5
Suter Ltd (5p) 35 (12/4). 9¼pcLn 1995-2000 £95 (13/4)

TACE 40pcPf (10p) 29½
TI Gp 5.8pcLn 1989-94 £53 ½ (12/4). 7.7pcLn 1989-94 £62 (13/4). 9pcLn 1989-94 £67 (13/4). 6½pcLn 1983 £98¼◆ 90
Talbot Motor Co 4pcDb 1974-84 £88½ (8/4). 5½pcDb 1984-89 £80 (13/4)

W—Y—Z

FINANCIAL TRUSTS

INSURANCE

INVESTMENT TRUSTS

TR Pacific Basin Wts 181
Temple Bar 7pcPf (£1) 61 (8/4). 6pc 1987-91 £112
Throgmorton 6¼pc Deb 1982/87 £85 ¼ (11/4)
Triplevest 7¾pc Deb 1987/91 £77 (8/4)
United States Deb 3.85pc Pf £50 (8/4)
West Coast and Texas Wts 530
Westpool 5pc Ln 1989/94 £68 (13/4)
Witan 6¼pc Deb 1990/95 £70 (12/4). 8pc Deb 1996/99 £72½ (8/4)
Yorks and Lancs Inv Wrrnts. 21

MINES—MISCELLANEOUS

Anglo American (R0.50) £61. 6pc Pf (R2) 30 (12/4)
Bisichi Tin (10p) 12 (12/4)
Northchart Inv (R0.10) 13
Botswana RST (Pu2) 20
Cons Gold Fields 8¼pc 1988/93 £77

MINES—SOUTH AFRICAN

OIL

PROPERTY

PLANTATIONS

RAILWAYS

SHIPPING

UTILITIES

WATER WORKS

UNLISTED SECURITIES MARKET

Miss World New (10p) 124 5 6 ½ 7 8 9 ½ 30 1 2 3 4 6 7 8
New Court Natural Resources. Warrants to sub 11
Radio City (Sound of Merseyside) A Non-Vtg 155
Sinclair (William) Hldgs 82 (11/4). Df 76 (12/4)
Swindon Private Hospital (£1) 95 (12/4)
Television Services (10p) 22½ 3 ½ 4
Television South 14/20pcLn 1986-88 £107 8
Thorpac (5p) 59
United Friendly Insurance B (10p) 225 (8/4)
V.W. 37 (12/4)
Wight Collins Rutherford Scott (10p) 248 57
Yelverton Invests (5p) 62 3 4 ½ 5 6

RULE 163 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List.

Aberfoyle 710 (12/4)
Abrolhos Oil Invs 60 ½◆ (8/4)
Acmex 40 2 (13/4)
Acorn Secs 144
AECT 400 (12/4)
Aginico Eagle Lines 935 (13/4)
Alsstate Exp 28
American Home Prods £33¼
American Motors 412½ (13/4)
Ampol Exp 99
Ampol 840 60 3
Anglo Utd Devpt 80 4[13/16] 5
Ashton Mining 85
Asia Oil Minerals 10½ 11 (8/4)
Assoc Manganese SA £44 (12/4)
Atlantic Richfield £28¼
Australian Cons. Mins 18 ½ 19
Australian Foundation 73
Australian Oil Gas 65 (13/4)

Enterprise Gold Mines 28 9 (13/4)
Eurocan Ventures 77 (8/4)
Europa Pet 35◆ 2 5 6 (13/4)
Faber Merlin Malaysia 72 5 (11/4)
Ferrovanadium Con 3¼ (13/4)
First Pacific Fin 24◆ ½◆ 5◆ 4
Flow Gen $US13⅞ (8/4)
Fraser Neave 245 (13/4)
French Bank SA 69-70 (12/4)
Fuji Photo Film 458 60 (8/4)
Gem Expln 2¼ (13/4)
Gen Oriental 490 3 5 7 8 500 2 5
Getty Oil £42½
Global Marine 487½◆ (12/4)
Grace Bros 16
Great Eastern Mines 14 15 (12/4)
Green Bushes 69 70
Greenvale Mining 8 (13/4)
Grenvale Mining (A$0.05pd) 5 (13/4)
Greyhound Con £14½ (11/4)
Gulf Canada 760 70 (12/4)
Hang Seng Bank 425◆
Hartogen Energy 92
Hawk Invs 25
Hecla Mining $US21½ ⅝
Hewlett Packard £50¼◆
Highveld Steel 370
Hill 50 Gold Mines 32 (13/4)
Hill Minerals 60◆ 58 9
Hitachi 205 6 (13/4)
Hong Kong Electric Hldgs 60
Hong Kong Kowloon Wharf 39½◆ (12/4)
Hooker Con 60 (11/4)
Hospital America £33 ¼
Husky Oil 470 (8/4)
Japan Fund 737½ (8/4)
Finance 9½pcLn 1984-95 £6½◆ (13/4)
Jardine Matheson Fin Wrnts 15½ (13/4)
Jardine Secs Wrnts 9
Jingellic Mins 59 (13/4)
Johnson Johnson $US45½◆ (13/4)
K Mart £21½ (13/4)
Kerr Addison Mines 870 (8/4)
Kerr McGee £20[1/16] (12/4)
Key West Resources 14½ (14/4)
Kia-Ora Gold 16 ¼ ½ ¾ 17
Kulim (Malaysia) 60 5 70 (8/4)
Lennard Oil 4½
Levi Strauss £25 (8/4)
Lightning Ridge Mining 5¼
McCarthy Grp 160
Madison Fund £10⅝ (12/4)
Magnet Metals 2¼ 3[1/16]
Marks Spencer Canada 665◆ 80◆ 710◆ 5

RULE 163 (2)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

Alliance Building Soc 14¼pc Bds Due 15/5/83 £100.095 .100
Amal. Metal Corp (£1) 180 80
Anglo American Agric 37½ 8
Ann Street Brewery (£1) 400 3 (11/4)
Biotechnology Invs $US0.20 $11.75 .785. Do. $US0.02 780 800
Brent Invs (£1) 175
Cannon St Inv (20p) 6 (12/4)
Carreun (£1) 22 ½
Castletown Brewery 320 5 (8/4)
Channel Hotels Props (10p) 14½ 15 ¼ (12/4)
Checkpoint Europe 459 60 (13/4)
CIC Inv (10p) 1¼ (13/4)
Comcl Indust Secs (40p) 408 10 (12/4)
Comcl Bank Wales (£1) 83 4 5 7 (8/4)
Dollar Land (£1) 38 41 (8/4)
Gibbs (M.) 245 50 (11/4)
Granada Gp 194 ⅛
Gtr Manchester Ind Radio A (10p) 79 (12/4)
Home Brewery 925 30 (11/4)
Imperial London Hotels 7.75pc1stMtDb 1991-96 £77¼ 8 (8/4)
Intelligence UK (10p) 365 6 (8/4)
Interlect Elec (1p) 9 ¼ (13/4)
Interlekt Elec (1p) 9 ¼ (13/4)
Irish Intnl Trading Con (IR£1) 197 200
Jennings Bros 162 3 5 (12/4)
Jessel Tst 5p 10 11 (13/4)
Le Riches Stores (£1) 276 8 80 2 (11/4)
Liverpool FC Ath Grounds (£5) £235 40 (12/4)
London Overseas Land (20p) 40 3 (12/4)
Minch Norton (IR£1) 130 (13/4)
Nationwide Leisure (5p) 18 19 (8/4)
Oldham Ests (50p) 100 ⅛ 2 (11/4)
Ouvah Highfields (£1) 65 7 (11/4)
Plantation Gen Inv 98 100 (12/4)
Roche Service Grp (10p) 17¾ 18 (11/4)
Red Rose Radio (10p) 15 (12/4). Do A Nv (10p) 15 (12/4). Do Varrate (NV) CnvLn 1992 (£1) 150 (12/4)
Rodime (5p) £13¼ ½ (13/4). Do (5p) $19¾ 20¼ (13/4)
Rotaco (10p) 8 ½ (12/4)
Rothschilds Cont Cum2ndPf 170 (11/4)
Shepherd Neame A (£1) 795 800 (8/4)
Southern Newspapers (£1) 186 8
Taddale Inv (10p) 46 9 (8/4)
Tom Hill (12p) 1¼ 2 (13/4)
Tottenham Hotspur (£1) £210 15 (13/4)
Trident TV (10p) 104 5 (8/4)
Women's Pioneer Housing Soc 6pcLn £32 4 (12/4)
Woodhead Faulkner (Pub) 255 (12/4)

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration.

Peanine Resources 24 (12/4)

(By permission of the Stock Exchange Council)

West of Scotland economy improving

A CONTINUING marginal improvement in the economy of the West of Scotland was reported in the latest survey of companies in the area carried out by the Glasgow Chamber of Commerce.

The slight increase in home sales and orders noted at the last survey three months ago has been consolidated over the quarter and a much higher percentage of companies reported an increase in export sales and orders.

More companies reported full and satisfactory levels of production. Stock levels increased for more companies with fewer reporting a decrease. The cash flow position is changing for many companies, according to the survey. Although more companies reported an improvement in cash flow, the number of companies reporting a deterioration also increased.

Slightly more companies reduced their labour force over the past three months, but the outlook for the next quarter is "more encouraging," says the Chamber. Plans for investment in plant and machinery are little changed but investment intentions for buildings showed a small increase.

Loans for power link between UK and France

TWO big loans from the EEC were announced yesterday towards paying for an electricity link between the UK and France.

The European Investment Bank, the European Community's bank for long-term finance, is finding £65m to help finance the laying of high-voltage submarine power lines to link the British and French power grids.

The Central Electricity Generating Board receives £30m and Electricité de France gets £35m.

Eight cables will be laid between Bonningmes, five miles from Calais, and Sellindge, 15 miles from Dover, and will be capable of carrying 2000 MW.

The project also includes construction of two converter stations, control centres and various ancillary installations. The cost is put at more than £500m, with completion expected at the end of 1986.

● DOMESTIC electricity bills in London can now be paid by Access credit card. The bill will be charged to the Access account each quarter; but a bill will continue to be sent to the customer for information purposes.

Details of the scheme can be obtained from London Electricity Board showrooms.

Other bill payment methods include monthly payments by banker's or Giro standing order; voucher scheme; savings stamps, and pre-payment meters.

Authorised Units—continued

Equity & Law Un Tst Mngrs (a) (b) (c)
Amersham Rd, High Wycombe. 0494 33377

Euro Tst Ac	55.2	59.3	....	1.62

Robert Fleming & Co Ltd
8 Crosby Square, EC3A 6AN. 01-283 2400

AmExFd*	£247.84	253.42	....	1.87
JpExdF*	£129.75	133.29	....	1.08

Next Subscription Day April 18 1983.
*Fleming American Property Unit Trust. Last issue price (15/12) US$10.176. Units are issued on Feb 15, May, Aug, Nov.
*Fleming Property Unit Trust. Last issue price (25/3) £2.067. Units are issued on March 25, June 24, ...

Brewin Cap	72.7	76.6	....	1.32
Brewin Grinc	69.7	73.4	....	3.65
CanGwthFd	89.3	96.1	....	1.18

Lawson Fund Managers Ltd (a) (c) (g)
43 Charlotte Sq. Edinbgh 2. 031-225 6001

Aust.& Pac*	7.8	8.3	....	0.70
High Yield*	20.4	21.4	....	10.50
Do Accum*	20.7	21.7	....	10.50

MGM Unit Managers Ltd
MGM House, Heene Road, Worthing.

Insurances—continued

Offshore and Overseas—continued

Midland to reorganise in France

By Paul Betts in Paris

MIDLAND BANK, the UK clearing bank which chose France in 1978 to launch a major expansion of its international banking operations, is reorganising its French banking interests into a new bank called Midland Bank SA.

The bank will have a capital of FFr 302m ($41.6m) and will group together the former operations of Midland Bank France; the UK group's controlling interest in Banque de la Construction et de Travaux Publics (BCT), the French credit institute which specialised in the property and construction markets; and Midland's stake in Banque Internationale de Placements (BIP), an institute involved in arbitrage and other market operations.

Midland plans to complete the reorganisation by the beginning of June and will float a convertible loan issue of between FFr 180m to FFr 200m to strenthen the new bank. Mr Hervé de Carmoy, Midland's general manager who will chair the board, said the convertible issue was designed to attract private shareholders.

Mr de Carmoy said Midland also planned to increase its activities in the merchant banking sector.

The bank wanted to become a credit institute keen to support large and medium sized enterprises which still aimed to be entrepreneurial. He claimed there were many such companies in France.

Midland is one of the largest private banking groups in France, where its performance has steadily improved. For the first time in 10 years, BCT paid a dividend last year.

Midland owns 68.4 per cent of the property and construction bank, whose earnings rose by more than 22 per cent to FFr 27m in 1982 from FFr 22m.

Midland Bank France saw its earnings increase to FFr 18.8m last year from FFr 14.5m.

Yamaha to cut payout and reduce motorcycle output

BY YOKO SHIBATA IN TOKYO

YAMAHA Motor, the second largest Japanese manufacturer of motorcycles, after Honda, is to cut its dividend for the current financial year, ending this month to Y6 a share, from Y10 in 1981-82—the first reduction in 22 years—on the back of an expected 90 per cent fall in parent company operating profits to Y1.4bn ($5.8m).

The company has been hit by a rapid fall in sales, and plans to pass the 1983-84 dividend, as it is faced with a tumbling into loss in the financial half-year now ending, and with the prospect of widening losses next year. For the current year, sales are estimated to fall 16.4 per cent to Y481bn ($1.8bn).

Motorcycle production is to be cut 18 per cent in 1983-84 to 1.8m units, from 2.2m.

In its fierce competition with other Japanese motorcycle majors Yamaha boosted its production capacity so as to reach a 4m units per year output. Large scale exports to the U.S. have left it with the equivalent of 18 months sales in stock, some 360,000 units.

In the current year, Yamaha's export sales are seen as having dropped to 1.29m units from last year's 1.66m.

On the domestic market the competition with Honda has also been tough. Yamaha has succeeded in narrowing the gap with its rival, taking its market share up to 36 per cent (from 25 per cent previously) against Honda's 39 per cent (52 per cent in 1981-82).

In the fiscal year starting this May, Yamaha foresee its exports as dropping by 30 per cent to around 900,000 units, because of factors such as the sharp devaluation of the Indonesian rupiah, Nigeria's suspension of motorcycle imports, as well as a 34 per cent exports fall to the U.S., to 118,000 units as a result of the import duty.

Banco di Napoli accepts ownership reform plan

BY JAMES BUXTON IN ROME

THE BOARD of Banco di Napoli, Italy's seventh largest bank, has finally approved a new governing statute which should change its ownership structure and the way it is run.

The statute will allow private investors to take up to 30 per cent of the equity of the bank, which is 100 per cent owned by the Italian Treasury. No single investor will be allowed to own more than 10 per cent.

The management structure is to be changed. Instead of being run, at least in theory, by its chairman through the board of directors, more power will be vested in the general manager and in an executive committee to be appointed by the board. The chairman will be responsible for overall strategy.

The statute was originally devised by Dr Rinaldo Ossola, a former director general of the Bank of Italy, who was made chairman of Banco di Napoli to improve its running and extract it from the grip of powerful Christian Democrat cliques in Naples.

But after many clashes with his board and lack of full support from the Government he resigned last December, having failed to persuade the board to accept his statute, which would have reduced its power.

Since then no chairman has been appointed. But Sig Ferdinando Ventriglia, a former director-general of the Treasury, was appointed last January to the then vacant post of general manager. The Treasury has said it will be appointing a chairman in due course.

The statute varies little from the original proposal of Dr Ossola, except that the amount of equity that private investors can take has been cut from 40 to 30 per cent.

Last year Banco di Napoli, which has more branches than any other Italian bank, made net profits of L7bn ($4.8m), against L5.6bn in 1981, and reported total deposits of L21,000bn.

Japan raises yen syndicated loan quota

TOKYO—The Japanese Finance Ministry has raised the overall quota for yen denominated syndicated loans in the April to September period to about Y700bn ($2.94bn) from Y630bn in the preceding six months.

The ministry has, however, left the dollar syndicated loan quota unchanged from the preceding six months at around $8.5bn.

According to bankers the ministry, in telling Japanese banks and life insurance companies the quota details, gave no specific guidance on ways of extending medium- and long-term yen loans.

The ministry has approved a 0.1 percentage point increase in the fixed interest charged on the bulk of medium- and long-term yen loans to 0.3 percentage points above the Japanese long-term prime rate. The World Bank, the Asian Development Bank and other major international organisations are, however, excluded from the interest rate rise.

Reuter

Boskalis higher in 1982

By Walter Ellis in Amsterdam

BOSKALIS WESTMINSTER, the Dutch construction and dredging group, yesterday reported 1982 net profits of Fl 25.8m ($9.4m), up 26 per cent from 1981.

However, much of the increase was due to the sale and liquidation of investments. Overall sales fell 7.5 per cent to Fl 2.53bn, and the group's share in the losses of associated companies rose by Fl 10.5m to Fl 17.6m.

Boskalis, which has been affected in recent years by the debt problems of several of its major clients, says that its tendering policy is now more selective than before. This fact, together with "a more hesitant attitude adopted by a number of clients in the present recession," produced a reduction in the total order portfolio at the end of last year, from Fl 2.7bn to Fl 2bn. Only the dredging division performed well.

Increasing competition is also said to be eating into profit margins, so that the 1983 trading result is expected to come under pressure. Against this, a fall in financing requirements and much reduced interest rates will, the company says, lead to lower interest charges. The current reorganisation of the group, aimed at cost reduction, should start to have a positive influence on the results in 1984.

Interest charges last year rose by Fl 3.2m to Fl 79m. Income from liquidations brought in Fl 22.4m, and the gross profit was Fl 89.6m, a rise of Fl 30m over 1981.

Boskalis has set aside Fl 15m against possible losses on contracts overseas, and a further Fl 4.9m was charged against the 1982 accounts in respect of restructuring.

A cash dividend has been proposed of Fl 3.50 per Fl 10 nominal share, the same as last year.

TRW first-quarter profits down by 8%

BY WILLIAM HALL IN NEW YORK

TRW, the Cleveland-based industrial conglomerate, has reported an 8 per cent drop in its first quarter net earnings to $40.6m, due principally to a sharp drop in the operating profits of its industrial and energy divisions.

Total sales rose 5 per cent to $1.39bn. Fully diluted earnings per share were $1.06, compared with $1.18.

Mr Ruben Mettler, chairman and chief executive, said the U.S. economic recovery was beginning to show through in higher orders in some divisions. He expected group sales to be higher for the full year but "earnings may be about flat." In 1982 TRW reported a 14.2 per cent drop in net earnings — the first fall in several years.

First quarter operating profits in TRW's fast growing electronics and space systems operations rose 66 per cent to $53.4m. Sales rose 33 per cent to $506m.

Industrial and energy operations reported a 60 per cent drop in operating profits to $17.9m.

W. R. Grace sharply lower

BY OUR FINANCIAL STAFF

W. R. GRACE, the big U.S. manufacturer of specialty and agricultural chemicals, has reported first-quarter net earnings of $32.9m, down sharply from $144.1m in the comparable period of 1982.

However, the 1982 figure includes a $65.1m gain on the restructuring of Chemed, the specialty chemicals subsidiary. Fully-diluted per share earnings were 67 cents in the latest period, down from $2.94; and revenues fell from $1.46bn to $1.35bn.

The company said the fall in earnings represented the low point for the year. It attributed the decline partly to sharply lower results from natural resources operations, particularly its energy services business.

Operating earnings in the specialty chemical business fell by 3 per cent to $28.7m, while agricultural chemicals earned $14.1m, down 11 per cent.

Nestle boosts dividend

By Our Financial Staff

NESTLE, Switzerland's largest food group, has turned in a 13.9 per cent increase in consolidated net profits to SwFr 1.1bn (U.S.$537m) for the year to December 1982, compared with SwFr 964m in the previous year.

The advance was achieved despite a marginal decline in sales and has enabled the group to lift the year's dividend total to SwFr 96, against SwFr 85 in 1981.

Sales eased from SwFr 27.73bn to SwFr 27.66bn as a result of a slowdown in business activity in the face of stagnant markets for some products. The company says, however, that sales were favourably influenced by price increases in certain areas and by a minor modification in accounting consolidation procedures.

Negitive influences included the depreciation of foreign currencies. The company said the latest profit improvement had enabled it to increase the provisions needed to offset the risks involved in doing business internationally.

The profit advance resulted mainly from lower interest rates, the elimination of certain loss-making activities and tighter cost controls.

Stagnant income at Eli Lilly

BY OUR FINANCIAL STAFF

ELI LILLY, the major U.S. ethical drugs manufacturer, has registered flat net earnings in the first quarter, while profits at G. D. Searle, another large U.S. drugs group have plunged by nearly 40 per cent.

Net income at Eli Lilly edged ahead from $135.6m or $1.78 a share to $136.2m or $1.80 on sales down from $863.2m to $831.9m. The results represent a significantly slower rate of growth than that shown in the final quarter of last year, when net profits rose by some 17 per cent.

The group said first quarter sales of agricultural chemicals were substantially lower because of the poor farm economy and uncertainty created by the payment-in-kind programme.

G. D. Searle, which also has interests in optical products retailing, speciality chemicals and gases, said net earnings fell from $28.3m or 56 cents a share to $17.2m or 34 cents, but sales moved ahead from $234.9m to $273.9m.

The company attributed the earnings decline to lower U.S. ethical drugs earnings, and also cited $3.1m of start-up expenses for a new pharmaceutical chemical plant in Georgia, a $3.9m increase in net interest expense, and a 14 per cent rise in research and development spending.

First half earnings were expected to be significantly lower than 1982, but full-year earnings were expected to be higher.

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

INSURANCES

MARKET REPORT

Equity market's surge to record levels continues
Gilts quietly firm and authorities supply tap stock

Account Dealing Dates
Options

*First Dealings	Declarations	Last Dealings	Account Day
Mar 21	Apr 7	Apr 8	Apr 18
Apr 11	Apr 21	Apr 22	May 3
Apr 25	May 5	May 6	May 16

* "New-time" dealings may take place from 9.30 am two business days earlier.

London's surge to record highs continued yesterday. The FT Industrial Ordinary share index rose 6.6 more to close the week more than 20 points up 695.5 and looking poised to break 700 for the first time. Broader-based FT-Actuaries measurements of equity trends also attained new peaks with the All-share rising 0.9 per cent to 439.52.

The Government claim that the UK is leading the world out of recession and the CBI chairman's more optimistic view of economic trends were fresh pointers for investors to consider yesterday. Institutional and smaller clients alike replied positively by committing fresh funds to selected stocks. Any chance of markets reacting after Thursday's widely anticipated cuts in clearing bank base rates was stifled.

Hopes that America would soon follow the trend to cheaper money, Wall Street's current buoyancy and sterling's stability yesterday in the aftermath of lower UK interest rates all encouraged markets. Investors, however, were none too keen to chase values higher and preferred to stay with recognised favourites such as ICI, Glaxo, Blue Circle, Beecham and BTR, in which rises were again accentuated by stock shortages. Many other top-quality industrials contrasted with only minor improvements on the session.

Gilt-edged securities improved quietly with the accent on stocks maturing in the 1989-94 area: the medium tap, £25-paid Treasury 10¼ per cent 1989, was supplied by the authorities at 25¼ and the price withdrawn. Closing Gilt gains were small, despite the pound's encouraging performance and over the week the FT Government Securities index was only fractionally better at 82.09.

Corporation newcomer Sunderland 11¾ per cent 2008 began life at around 26 in £25-paid form and closed at 25½.

Hambro Life good

Life issues continued to make the running in Insurances. Hambro stood out with a rise of 16 to 370p, while Sun Life gained 8 to 506p. Pearl continued to draw strength from the results and finished 7 up and 60 better on the week at 640p.

Guinness Peat returned to favour among merchant banks, rising 4 to 51p on speculative buying fuelled by the announcement that Aer Lingus Teoranta has sold its 6.55 per cent stake in the company. Hill Samuel, however, closed a couple of pence easier at 215p following the decision to resign as financial advisers to UDS, currently involved in the protracted bid battle with Hanson Trust and Bassishaw.

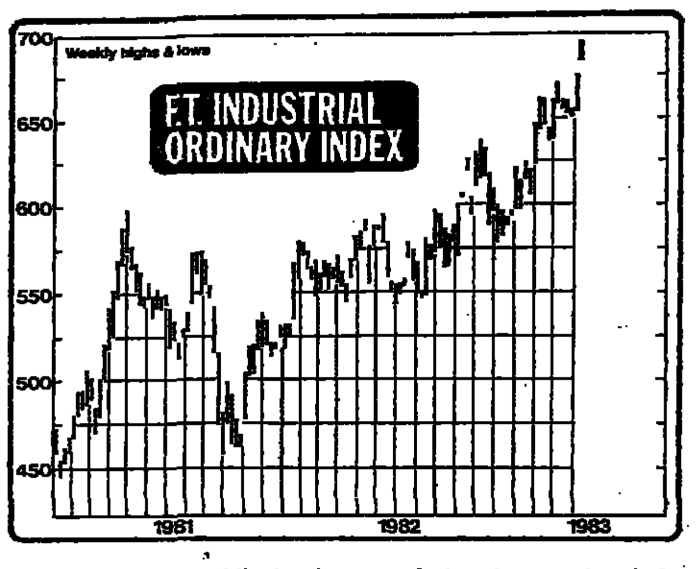
After Thursday's successful debut in the Unlisted Securities Market, Miss World jumped to 143p before closing a net 10 up at 141p on the announcement that Hawley Group, 4 firmer at 184p, had acquired a 14.99 per cent stake in the company; Miss World shares were placed at 60p.

Breweries came to life after a relatively quiet spell earlier in the week. Buyers showed occasional interest in the leaders, Allied advancing 4 to 140p and Grand Metropolitan 5 to 345p, the last-named following confirmation of the company's proposed sale of six London hotels.

The trend towards lower interest rates and increased takeover speculation within the sector kept Buildings on the boil. Stock shortages exaggerated gains in the leaders with Cement issues featuring strongly. Blue Circle advanced 17 for a gain on the week of 40 to 482p, while demand ahead of next Wednesday's preliminary results lifted RMC 10 to 386p. Rugby Portland Cement, up 5 late on Thursday on rumours that a large stake stake in the company had changed hands, jumped 7 to 117p on suggestions that English China Clays was about to bid for the company. The latter, itself a perennial takeover favourite, also gained 7, to 208p. BPB Industries rose 17 for a two-day gain of 24 to 582p, while Taylor Woodrow advanced 30 to 600p after comment on the results. AMEC rallied 6 more to 236p. Barratt Developments, a relatively neglected market recently, met revived demand and put on 12 to 530p. Among Paints, Manders gained 12 to 152p following a country broker's circular, but Leyland Paint shed 3 to 20p on disappointment with the preliminary results. Press comment stimulated interest in Tysons, which firmed 5 to 81p, while Marchwiel also came in for support and rose 8 to 206p.

ICI rose 8 for a gain on the week of 40 to 436p on some sizeable buying orders, some of which emanated from overseas; the first-quarter figures are due on April 28. Among other Chemicals, Arrow hardened a penny to 79p following the profits improvement and return to the dividend list, but Dixor-Strand eased a penny to 25p despite the return to profitability. Leigh Interests found support and firmed 4 to 69p, while Laporte, preliminary results due next Thursday, hardened a penny for a gain on the week of 22 to 297p.

Awaiting the outcome of the Harrods demerger controversy, House of Fraser attracted fresh support and closed 8 better at 174p. Other Store leaders edged forward in thin trading with Burton up 3 at 357p. Elsewhere, Harris Queensway revived with a gain of 14 to 230p, while Austin Reed A improved 5 more for a two-day jump of 16½p on the excellent results



RTD up on bid

Secondary Electricals enjoyed a firm session. RTD stood out with a jump of 10 to 24p on news of a consortium's bid of 16p per share. Press comment on the UK launch of the company's cordless telephones attracted buyers to Fidelity Radio, which touched 192p before closing 15 up on balance at 183p. Electro-Protective advanced 18 more to 248p, while improvements of 15 and 17 respectively were seen in Unitech, 178p, and Memory Computer, 212p. Buying on recovery hopes pushed BSR up 6 more to 106p and Crystalate reflected speculative demand with a gain of 6 at 182p. Down 32 on Thursday following the disappointing annual figures, Lec Refrigeration dropped 5 more to 198p. The leaders gave a firm performance but the volume of business was small. Thorn EMI rose 10 to 525p and Plessey 8 to 602p.

Leading Engineers remained overshadowed by GKN's cash call for £80.1m. GKN continued to trade on a steadier note at 156p, up a penny, but down 19 on the week. Vickers closed 4 cheaper at 128p, while TI eased 2 more to 156p. Bullish reports from the Aerospace industry coupled with a Press report of a large UK arms deal with Algeria directed attention to British Aerospace, up 11 at 208p, with Westland 12 higher at 137p. Adwest, up 8 at 246p, responded to satisfactory half-year results, but Linread gave up 3 to 20p on the bigger interim loss. Revived speculative demand left W. E. Norton 2½ higher at 20½p.

In Foods, Tate and Lyle encountered further investment buying and, in a market short of stock, rose 8 for a gain on the week of 20 to 312p. Kwik Save touched 295p on better-than-expected interim results before settling a net 7 up at 292p. Fitch Lovell, up 8 at 137p, attracted revived speculative buying on hopes that Linfood will get the green light from the Monopolies Commission to proceed with another bid for the company. Ranks Hovis McDougall, up 5 on Thursday on takeover suggestions, softened ½ to 64p in the absence of developments.

Glaxo surge

Down to 795p on Monday on interim results which failed to match ultra-optimistic forecasts, Glaxo closed at 915p, up 45 on the day and the week as Press comment fuelled domestic and U.S. demand. Other miscellaneous industrials leaders ended a record-breaking week quietly firm. Beecham put on 5 more to 417p as did Unilever, to 835p. BTR rallied 8 to 436p and with Thomas Tilling up 3 at 192p. Elsewhere, Manchester Ship Canal firmed 8 to 180p in response to an investment recommendation and Bellair Cosmetics rose 6 more to 54p on continuing speculative support. Still attracting buyers in the wake of an investment seminar, Mettoy gained 5 for a two-day jump of 13 at 43p. Bifurcated improved 2 further to 52p and the new nil-paid Preference put on 10 more to 90 premium. J. and J. Dyson improved 5 to 61p and the A 4 to 57p. Against the trend, Sothebys relinquished 12 to 508p as hopes faded of a bidder emerging to oppose General Felt's 520p per share cash offer.

Automotive Products dropped to 25p on the dismal results before rallying on the Board's optimism about the trading outlook to close only 2 cheaper on balance at 29p. Bluemel Brothers hardened a penny to 16p on the announcement that the company is to cease the manufacture of moulded steering wheels and registration plates. York Trailer gained 4 to 29p on speculative buying, while Solex firmed 4 for a gain on the jump of 19 to 50p on yield considerations. Dunlop, in which Pegi Malaysia recently increased its stake to 26 per cent, rose 2 for a gain on the week of 9 to 60p on hopes of a full bid.

Demand in front of next Tuesday's preliminary results lifted Tate of Leeds 10 to 137p.

On the bid terms from United Newspapers, Benn Brothers rose 5 for a gain on the week of 38 to 155p after having touched 159p on Wednesday.

Peachey featured the Property sector, rising 9 to 157p on further consideration of the £10.6m. Carnaby Street property acquisition. Percy Bilton, on the other hand, shed 8 to 280p on thoughts that Trust Securities' share-exchange offer had little chance of success. Elsewhere, speculative buying in a market short of stock lifted Marler Estates 11 to 96p, while Raglan hardened ¼ to 7¼p following the interim results and the Board's intention to pay a final dividend.

Shippings passed a relatively quiet session, but British and Commonwealth revived with a rise of 40 to 860p, while Ocean Transport improved a couple of pence to 97p.

Textiles enjoyed a lively trading session. Bulmer and Lumb, annual results due soon, met support and put on 9 to 53p. Small and Tidmas improved 5 to 55p, while Yorklyde advanced 15 to 435p in a limited market.

Financials recorded some useful gains. Akroyd and Smithers encountered further demand ahead of the interim results, due shortly, and put on 19 to 380p. Aitken Hume continued to attract buyers and gained 12 to 225p, while R. P. Martin advanced 15 to 380p. London Investment, the subject of a broker's circular, closed 2 harder at 42½p, after 44p. Centreway gained 10 to 125p and Yelverton put on 4 more to 69p.

Ultramar dip and rally

Oil shares ended a good week on a steady to firm note. The early scene was dominated by Ultramar, which dropped to 548p on reports that the company's liquified natural gas plant in Indonesia had been damaged before recovering to close only 5 off on the day at 585p. Lasmo were good at 285p, up 10, while, still reflecting a broker's recommendation, Sovereign closed a similar amount higher at 230p.

RTZ go ahead

Among overseas traders, buyers remained interested in Great Northern which closed a further 5 points higher and 14 points better on the week at £55.

Another broadly-based advance by mining markets was again highlighted by the performance of London's Rio Tinto-Zinc, which, in the wake of the good full-year results and favourable Press comment, moved up 20 to 608p after having touched a year's best of 612p in initial dealings, the 9½ per cent convertible mirrored the trend in the ordinary shares and jumped a further £1¾ to a 1982-83 peak of £130. Renewed Continental buying of RTZ bearer shares lifted that quotation 15 to 610p.

The heavy demand for RTZ spilled over into other London-domiciled Financials, most notably Gold Fields which closed 10 to the good at 553p, extending the rise on the week to 53p. Charter gained 5 to 255p, while Hampton Areas jumped 8 to 182p, additionally boosted by talk of favourable circulars from two leading brokers. Hampton Areas "new" rose 6 to 17p premium, after 18p premium.

South African Golds got off to a very strong start, boosted by overnight gains in the U.S. and a firm opening on Johannesburg markets.

Thereafter, prices met light profit-taking but still managed to close with strong gains on balance.

The Gold Mines index posted a further 11.2 rise at 651.8, to show a 53.1 improvement over the five-day period. Next week brings the last batch of March quarter reports, those of the mines in the Anglovaal, Barlow Rand, Johnnies, Gencor and Anglo American groups, as well as dividends from the Anglo Mines in the Orange Free State.

Bullion traded narrowly prior to closing a net 50 cents cheaper at $435.50 an ounce—$14 higher on the week.

South African Financials were generally firmer but ran into sporadic profit-taking, especially De Beers which closed a net 5 cheaper at 548p. Gencor rose ¾ to £18¼ and "Johnnies" ¼ to a year's best of £80.

The Bermuda-based Minorco, aggressively bought in overnight transatlantic markets, jumped 90 to a 1982-83 high of 845p following renewed demand from New York.

Leading Australians made little progress despite the favourable outcome to the Canberra meeting of the Prime Minister with employers and unions.

Nevertheless, the junior gold explorers provided a feature in Carr Boyd Minerals which jumped 5 more to 99p—a week's rise of 23—on further consideration of the Harbour Lights drilling report.

Kitchener Mining, meanwhile, rose 6 to 74p, in the wake of news that the company has granted Prophecy Mines, a subsidiary of the Swiss Finance Corporation, until April 29 to decide whether to proceed in a joint venture in the development of the Bamboo Creek gold project.

Traded Options attracted 3,652 contracts, sufficient to boost the week's total to a record 19,629. ICI attracted a good demand ahead of first-quarter figures scheduled for later this month; 645 deals were struck, comprising 616 calls and 29 puts.

FINANCIAL TIMES STOCK INDICES

	April 15	April 14	April 13	April 12	April 11	April 8	year ago
Government Secs.	82.09	82.11	82.24	82.49	82.75	81.90	66.50
Fixed Interest	84.16	84.27	84.26	84.23	84.25	83.78	67.56
Industrial Ord.	695.5	688.9	687.1	687.7	683.9	675.0	560.7
Gold Mines	651.8	640.6	622.3	635.9	618.0	598.7	268.5
Ord. Div. Yield	4.53	4.61	4.64	4.64	4.68	4.66	6.59
Earnings, Yld.% (full)	9.22	9.34	9.40	9.39	9.43	9.48	11.38
P/E Ratio (net) (*)	13.18	13.02	12.98	12.96	12.90	12.84	11.02
Total bargains	27,085	25,167	23,274	24,304	26,361	27,745	15,504
Equity turnover £m.	—	217.72	233.75	254.73	211.16	302.94	115.90
Equity bargains	—	21,895	21,654	23,942	21,667	24,459	12,487
Shares traded (ml)	—	139.2	144.9	177.1	147.7	205.0	87.9

10 am 693.4. 11 am 693.9. Noon 693.8. 1 pm 693.3.
2 pm 693.1. 3 pm 693.4.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/10/55. SE Activity 1974.
Latest Index 01-246 8026.
Nil=12.31.
†Correction.

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	82.75 (11/4)	77.00 (24/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	84.27 (14/4)	79.03 (1/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	695.5 (15/4)	598.4 (12/1)	695.5 (15/4/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2)	631.6 (23/3)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	April 14	April 13
—Daily		
Gilt Edged Bargains	249.9	153.1
Equities Bargains	141.9	140.3
Value	440.1	472.5
5-day Avrge		
Gilt-Edged Bargains	165.8	176.5
Equities Bargains	147.2	149.9
Value	493.5	549.6

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982, based on Thursday, April 14, 1983.

Office Equipment	+ 33.75	Property	+ 15.68
Motors	+ 31.66	Other Consumer	+ 15.19
Newspapers, Publishing	+ 30.41	Gold Mines Index	+ 15.11
Insurance Brokers	+ 28.36	All-Share Index	+ 13.99
Health and H'sehold Products	+ 27.49	Insurance (Life)	+ 13.31
Shipping and Transport	+ 26.67	Engineering Contractors	+ 13.20
Other Industrial Materials	+ 25.30	Mechanical Engineering	+ 12.71
Metals and Metal Forming	+ 23.05	Merchant Banks	+ 12.44
Oils	+ 22.91	500 Share Index	+ 12.36
Insurance (Composite)	+ 22.29	Building Materials	+ 11.29
Textiles	+ 21.98	Capital Goods	+ 10.70
Banks	+ 20.21	Industrial Group	+ 10.61
Financial Group	+ 19.69	Contracting, Construction	+ 9.33
Mining Finance	+ 19.61	Consumer Group	+ 8.73
Other Groups	+ 18.44	Food Manufacturing	+ 7.83
Chemicals	+ 18.26	Discount Houses	+ 7.51
Investment Trusts	+ 17.86	Tobaccos	+ 5.88
Leisure	+ 17.51	Electricals	+ 5.38
Packaging and Paper	+ 16.49	Food Retailing	+ 1.91
Overseas Traders	+ 15.82	Brewers and Distillers	+ 1.59
		Stores	+ 0.85

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar 28	Apr 15	June 30	July 11
Apr 18	Apr 29	July 14	July 25
May 3	May 13	July 28	Aug 8

Stocks to attract money for the call included Guinness Peat, Walter Runciman, A. E., Polly Peck, Ranks Hovis, Tavener Rutledge, Glaxo, Leigh Interests, Bifurcated Engineering, First National Finance, Combined Technology, Marinex, South West Resources, Dunlop, Exco International, London and Liverpool and Websters Group. No puts were reported but double options were arranged in First National Finance and Combined Technology.

RISES AND FALLS

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	51	9	39	153	212	130
Corpns. Dom. and Foreign Bonds	6	8	65	62	27	306
Industrials	381	141	810	1,997	904	3,761
Financial and Props.	167	57	295	942	287	1,370
Oils	25	23	62	183	107	260
Plantations	1	3	18	20	16	74
Mines	71	16	66	357	110	298
Others	69	35	69	345	229	280
Totals	771	292	1,424	4,059	1,892	6,479

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (223)

AMERICANS (13)
CANADIANS (5)
BANKS (3)
BREWERS (2)
BUILDINGS (11)
CHEMICALS (5)
DRAPERY & STORES (8)
ELECTRICALS (9)
ENGINEERING (10)
FOODS (4)
HOTELS (3)
INDUSTRIALS (50)
INSURANCE (7)
LEISURE (3)
MOTORS (7)
NEWSPAPERS (3)
PAPER (3)
PROPERTY (11)
SHIPPING (7)
TEXTILES (4)
TRUSTS (40)
OIL & GAS (9)
OVERSEAS TRADERS (4)
MINES (8)

NEW LOWS (7)

ELECTRICALS (1)
Lec Refrigeration
ENGINEERING (1)
Greenbank
INDUSTRIALS (4)
Pentland
Sheldon Jones
Star Computer
Wolv'hampton Steam
MINES (1)
Afex

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change	Stock	Closing price	Day's change
Akroyd & Smithers	380	+19	ICI	436	+ 8
Automotive	29	− 2	Kwik Save	292	+ 7
Brit. Aerospace	208	+11	London Inv.	42½	+ 2
Cons. Gold Fields	553	+10	Rugby PortlandCement	117	+ 7
Electro-Protective	248	+18	Ultramar	585	− 5
Eng. China Clays	208	+ 7	RTZ	608	+20

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of changes	Thurs. close	Day's change	Stock	No. of changes	Thurs. close	Day's change
Lon & Liv Tst.	25	370	−16	Std Telephones	15	268	+14
Arlen Elect.	24	301	+26	Beecham	14	412	+ 7
Glaxo	23	870	+38	Ultramar	14	590	+15
Burmah Oil	21	177	+ 9	Brown Boveri	13	71	+ 9
RTZ	19	588	+43	R.H.M.	13	64½	+ 5
Miss World Gp	16	131	—	BAT Inds.	12	675	+10
Mettoy	15	38	+ 8	BP	12	370	+ 6

5-DAY ACTIVE STOCKS

Based on bargains over the five-day period ending Thursday

Stock	No. of changes	Thurs. close	Change on week	Stock	No. of changes	Thurs. close	Change on week
Glaxo	155	870	—	Saxon Oil	82	158	− 4
Lon. & Liv. Tst.	133	370	−46	Exco Int.	81	698	+ 3
Burmah Oil	111	177	+ 3	Beecham	80	412	+32
ICI	107	428	+30	RTZ	80	588	+56
Arlen Elect.	95	301	+31	Mellins	79	156	+ 3
BAT Inds.	94	675	−40	BP	78	370	+18
GEC	89	228	+22	Sotheby's	76	520	+25

SHARE STAKES

Airship Industries—Prudential Corporation group has acquired further share to take its combined interest to 736,050 shares (5.85 per cent).

Barton Group—Staveley Industries has disposed of 2,537,304 ordinary (10.57 per cent)—its total holding.

Percy Bilton—1,460,000 ordinary shares are held by The Staff Superannuation Scheme Trustees, 2,281,900 ordinary by The Mineworkers' Pension Scheme and 47,000 ordinary by The Coal Industry Benevolent Trust. These holdings represent 10.1 per cent of the issued ordinary share capital.

Bogod-Pelepah — WJB Pension Fund has acquired 29,947 shares (23.09 per cent); C. Bogod has disposed of 29,947 and now holds 75,000 shares (7.73 per cent).

Davies and Newman Holdings—F. E. F. Newman, director, has disposed of 234,375 ordinary shares; M. R. F. Newman, director, has acquired 8,125 ordinary; the Reverend D. M. F. Newman has acquired 8,125 ordinary shares.

Erskine House Investments—U.T.A. Freight (UK), the private company controlled by B. McGillivray, chief executive, has sold 32,000 ordinary shares reducing holding to 920,880 shares (28.9 per cent).

Francis Industries — Temple Bar Investment Trust has sold 200,000 ordinary shares.

Gaskell Broadloom — H. S. Stones has exercised an option on 42,000 ordinary shares.

Granada Group—A trust of which Alex Bernstein, director, is co-trustee, has purchased 28,649 ordinary shares (0.273 per cent).

Arthur Guinness and Son—Simon Donald Ruper Viscount Boyd of Merton has acquired 82,076 ordinary shares, increasing interests to 864,738 stock units.

Hanson Trust — Sir Gordon White, director, has acquired 500,000 ordinary shares.

Intasun Leisure Group — B. Goodman, chairman, has sold 2,387,100 ordinary shares reducing holding to 15,488,566 shares (29.9 per cent).

Ladbroke Group—J. F. Jarvis, director, has purchased 53,084 fully paid ordinary shares by the exercise of an option and has subsequently sold 24,000 fully paid ordinary shares.

Paterson Zochonis — S. G. Tsiantar, director, has disposed of 5,400 "A" non-voting ordinary shares.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri April 15 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thur April 14 Index No.	Wed April 13 Index No.	Tues April 12 Index No.	Mon April 11 Index No.	Year ago (approx.) Index No.	1983 High	1983 Low	Since Compilation High	Since Compilation Low
1 CAPITAL GOODS (206)	479.76	+0.9	8.16	3.59	15.47	475.38	472.81	472.85	465.62	357.44	479.76 (15/4)	413.64 (27/1)	479.76 (15/4/83)	50.71 (13/12/74)
2 Building Materials (23)	447.75	+0.7	9.32	4.31	13.02	447.75	444.68	443.24	440.91	314.03	462.65 (15/3)	402.34 (1/1)	462.65 (15/3/83)	44.27 (11/12/74)
3 Contracting, Construction (30)	813.90	+1.8	11.08	4.20	10.89	799.58	797.28	796.50	792.75	571.33	831.09 (15/3)	717.95 (12/1)	831.09 (15/3/83)	71.48 (2/12/74)
4 Electricals (33)	1797.91	+0.5	6.64	1.94	19.39	1789.40	1774.07	1780.86	1725.82	1255.33	1797.91 (15/4)	1523.07 (27/1)	1904.92 (11/10/82)	84.71 (25/6/62)
5 Engineering, Contractors (10)	488.10	−0.8	14.74	6.13	8.33	488.10	492.16	479.16	474.53	477.81	492.16 (13/4)	391.02 (1/2)	523.05 (5/2/82)	64.39 (2/1/75)
6 Mechanical Engineering (64)	218.13	−0.5	10.79	5.28	11.51	218.13	219.23	219.82	218.80	187.91	222.65 (15/3)	193.53 (1/1)	230.26 (24/4/81)	45.43 (6/1/75)
8 Metals and Metal Forming (11)	181.68	+0.6	10.58	6.32	11.50	181.68	180.62	181.63	185.36	157.67	187.60 (7/4)	147.60 (4/1)	192.29 (4/5/79)	49.65 (6/1/75)
9 Motors (18)	101.83	−0.3	0.40	6.14	—	101.83	102.12	99.41	98.29	92.13	102.12 (13/4)	76.73 (24/1)	170.59 (15/1/69)	19.91 (6/1/75)
10 Other Industrial Materials (17)	454.62	+1.1	6.91	4.93	19.24	454.62	449.83	447.95	447.22	360.30	454.62 (14/4)	362.82 (1/1)	454.62 (14/4/83)	277.55 (15/1/81)
21 CONSUMER GROUP (201)	437.11	+0.5	9.77	4.14	12.42	437.11	435.06	436.44	432.29	291.22	437.11 (14/4)	395.44 (12/1)	437.11 (14/4/83)	61.41 (13/12/74)
22 Brewers and Distillers (23)	457.32	−0.2	11.12	4.69	10.99	457.32	458.43	459.00	457.62	292.23	486.54 (15/2)	433.18 (30/3)	486.54 (15/2/83)	69.47 (13/12/74)
25 Food Manufacturing (21)	348.42	+0.1	13.35	5.49	8.75	348.42	347.99	348.58	344.57	266.05	350.37 (10/3)	323.11 (1/1)	350.37 (10/3/83)	59.67 (11/12/74)
26 Food Retailing (14)	875.95	−0.6	7.27	2.78	17.29	875.95	881.51	877.72	864.69	587.39	893.46 (15/3)	835.37 (30/3)	915.86 (17/11/82)	54.25 (11/12/74)
27 Health and Household Products (8)	845.28	+2.5	5.06	2.23	23.45	845.28	824.62	827.98	811.31	396.64	845.28 (14/4)	663.01 (1/1)	845.28 (14/4/83)	175.38 (28/5/80)
29 Leisure (24)	545.39	+0.3	7.26	4.41	18.05	545.39	543.60	544.91	541.75	438.24	545.39 (14/4)	451.80 (12/1)	545.39 (14/4/83)	54.83 (9/1/75)
32 Newspapers, Publishing (14)	817.49	+0.8	7.67	3.98	17.07	817.49	811.09	802.71	798.89	525.81	817.49 (14/4)	619.26 (4/1)	817.49 (14/4/83)	55.08 (6/1/75)
33 Packaging and Paper (14)	164.49	+0.8	12.45	6.04	9.46	164.49	163.14	163.52	161.84	141.55	170.70 (17/2)	139.78 (4/1)	170.70 (17/2/83)	43.46 (6/1/75)
34 Stores (48)	382.41	−0.2	7.86	3.59	16.89	382.41	383.12	387.30	380.99	264.73	387.30 (12/4)	342.40 (24/1)	397.17 (19/11/82)	52.63 (6/1/75)
35 Textiles (22)	209.13	+0.3	12.24	5.35	9.80	209.13	208.58	208.93	206.80	168.07	209.13 (14/4)	171.44 (1/1)	235.72 (17/1/67)	62.66 (11/12/74)
36 Tobaccos (3)	470.04	+1.3	20.30	6.57	5.51	470.04	463.90	462.73	474.02	306.01	516.31 (3/2)	439.86 (30/3)	516.31 (3/2/83)	94.34 (13/6/62)
39 Other Consumer (10)	384.99	+0.4	6.57	3.79	—	384.99	383.29	381.55	378.99	286.86	387.98 (15/3)	334.21 (1/1)	387.98 (15/3/83)	229.84 (28/9/81)
41 OTHER GROUPS (79)	344.78	+0.8	8.82	4.72	13.95	344.78	342.13	340.61	336.08	247.27	344.78 (14/4)	288.55 (12/1)	344.78 (14/4/83)	58.63 (6/1/75)
42 Chemicals (15)	457.87	+1.4	8.69	5.25	14.35	457.87	451.74	449.56	441.01	325.55	457.87 (14/4)	379.93 (12/1)	457.87 (14/4/83)	71.20 (1/12/74)
44 Office Equipment (6)	108.27	−0.7	8.14	4.98	15.80	108.27	109.07	107.80	104.41	117.78	112.59 (10/3)	80.95 (1/1)	246.05 (1/9/72)	45.34 (2/1/75)
45 Shipping and Transport (14)	659.94	−0.5	11.46	6.15	10.58	659.94	663.46	666.87	657.91	550.79	666.87 (12/4)	520.64 (4/1)	666.87 (12/4/83)	90.80 (29/6/62)
46 Miscellaneous (44)	477.14	+0.8	8.40	3.88	14.47	477.14	473.55	470.95	468.16	314.86	485.58 (16/3)	409.35 (12/1)	485.58 (16/3/83)	60.39 (6/7/75)
49 INDUSTRIAL GROUP (486)	438.75	+0.5	9.11	4.04	13.50	438.75	436.41	436.88	431.64	308.19	438.75 (14/4)	391.26 (12/1)	438.75 (14/4/83)	59.01 (13/12/74)
51 Oils (14)	861.35	+1.1	12.66	6.79	9.64	861.35	851.56	859.81	850.52	676.15	861.35 (14/4)	693.58 (28/2)	1065.24 (19/11/80)	87.23 (29/5/62)
59 500 SHARE INDEX	473.96	+0.6	9.67	4.47	12.71	473.96	470.99	472.13	466.55	338.17	473.96 (14/4)	419.14 (12/1)	473.96 (14/4/83)	63.49 (13/12/74)
61 FINANCIAL GROUP (121)	320.70	+0.2	—	5.74	—	320.70	320.06	319.75	314.33	245.35	320.70 (14/4)	267.24 (4/1)	320.70 (14/4/83)	55.88 (13/12/74)
62 Banks (6)	332.88	+0.6	27.18	7.40	4.05	332.88	330.92	332.71	326.92	260.45	357.74 (15/3)	273.48 (4/1)	357.74 (15/3/83)	62.44 (12/12/74)
63 Discount Houses (8)	312.89	−0.2	—	7.80	—	312.89	313.38	314.18	309.30	217.20	314.18 (12/4)	270.71 (31/1)	334.35 (14/10/82)	81.40 (10/12/74)
65 Insurance (Life) (9)	404.49	+0.5	—	5.27	—	404.49	402.52	398.42	389.25	261.59	404.49 (14/4)	332.67 (12/1)	404.49 (14/4/83)	44.88 (2/1/75)
66 Insurance (Composite) (10)	213.68	—	—	7.03	—	213.68	213.60	212.58	209.28	153.76	213.68 (14/4)	174.73 (4/1)	213.68 (14/4/83)	43.96 (13/12/74)
67 Insurance Brokers (7)	628.96	−0.1	10.47	4.68	13.01	628.96	629.68	631.47	626.90	461.40	631.47 (12/4)	489.98 (1/1)	631.47 (12/4/83)	65.86 (16/12/74)
68 Merchant Banks (13)	171.14	—	—	5.08	—	171.14	171.14	170.22	167.59	146.64	171.14 (13/4)	152.21 (1/1)	278.57 (1/5/72)	31.21 (7/1/75)
69 Property (54)	478.03	−0.2	5.43	3.66	24.35	478.03	478.99	478.92	470.29	426.00	478.99 (13/4)	410.37 (12/1)	517.77 (2/4/81)	56.01 (20/4/65)
70 Other Financial (14)	253.31	+0.5	11.44	5.04	10.49	253.31	252.17	253.25	249.96	171.23	263.61 (25/3)	183.23 (4/1)	303.18 (18/5/72)	33.29 (17/12/74)
71 Investment Trusts (109)	422.25	−0.1	—	4.04	—	422.25	422.53	421.93	417.16	286.62	422.53 (13/4)	358.26 (1/1)	422.53 (13/4/83)	71.63 (13/12/74)
81 Mining Finance (4)	283.20	+5.4	6.43	5.01	21.72	283.20	268.76	268.21	265.88	207.61	283.20 (14/4)	236.76 (1/1)	296.26 (14/8/81)	66.31 (30/9/74)
91 Overseas Traders (16)	451.22	+0.9	9.14	8.06	15.52	451.22	447.11	445.07	440.21	363.83	451.22 (14/4)	387.81 (4/1)	488.51 (18/5/81)	97.37 (6/1/75)
99 ALL-SHARE INDEX (750)	435.70	+0.6	—	4.70	—	435.70	433.02	433.66	428.22	314.46	435.70 (14/4)	382.22 (1/1)	435.70 (14/4/83)	61.92 (13/12/74)

FIXED INTEREST

PRICE INDICES	Fri April 15	Day's change %	Thur April 14	xd adj. today	xd adj. 1983 to date
British Government					
1 5 years	116.79	+0.18	117.53	0.95	3.99
2 5-15 years	130.08	+0.16	129.87	—	4.47
3 Over 15 years	140.44	+0.12	140.75	0.46	4.61
4 Irredeemables	152.48	—	152.48	—	[illegible]
5 All Stocks	128.95	+0.15	129.18	0.42	4.33
6 Debentures and Loans	104.81	+0.01	103.99	—	[illegible]
7 Preference	80.57	+0.06	80.52	—	2.51

AVERAGE GROSS REDEMPTION YIELDS		Fri April 15	Thur April 14	Year ago (approx.)	1983 Highs	1983 Lows
British Government						
1 Low Coupons	5 years	9.26	9.26	12.34	9.49 (29/3)	8.69 (5/1)
2	15 years	10.05	10.05	13.16	[illegible]	[illegible]
3	25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4 Medium	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5 Coupons	15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 High	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8 Coupons	15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9	25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10 Irredeemables		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
11 Debs & Loans	5 years	12.82	[illegible]	[illegible]	[illegible]	[illegible]
12	15 years	12.82	[illegible]	[illegible]	[illegible]	[illegible]
13	25 years	12.02	[illegible]	[illegible]	[illegible]	[illegible]
14 Preference		12.19	[illegible]	[illegible]	[illegible]	[illegible]

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Other Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	162.74	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A new list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 28p. CONSTITUENT CHANGE: Alpine Holdings (2) has been deleted and replaced by Henderson (P.C.) Group 2. PREFERENCES: Carrington Viyella 6¼% Pref and 8% Pref have been deleted.

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −	Net Div.	Times Covered	Gross Yield	P/E Ratio
140	F.P.	15/4	145	132	Airship Inds.	132	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
112	F.P.	16/3	164	129	Assoc. British Ports	158	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	AtPic M'trp'n U.S.$ 18	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
§68	F.P.	[illegible]	103	100	Bensons Crisps 10p	103	−2	[illegible]	[illegible]	[illegible]	[illegible]
¶180	F.P.	[illegible]	[illegible]	[illegible]	Datastream 5p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Grainger Trust	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	HB Elect Comps 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Intervision Video 5p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Miss World Grp. 1p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Perstorp AB Free 'B' Kr50	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Sinclair (Wm.)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Do. Defd.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Superdrug Stores 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Tele-Services Intl 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Utd. Packaging 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Wight Collins Rth 5p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Yorkgreen Inv. 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price £	+ or −
[illegible]	Nil	[illegible]	[illegible]	[illegible]	Bifurcated Con. Cum. Red. Pref. '91-93	[illegible]	[illegible]
99.451	[illegible]	[illegible]	[illegible]	[illegible]	Birmingham 11¾% Red. 2012	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Brooke Tool 17% Conv. Cum. Prf. 50p	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Hambros Inv. 6.1% Stpd. Deb. 2018	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Intervision 7% Cnv. Red. Prf.	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Nationwide Bdg. Soc. 11⅜% Bds.	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Do. 11⅛% Bds.	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Newman Inds. 10% Cnv. Red. Prf. 10p	[illegible]	[illegible]
97.174	[illegible]	[illegible]	[illegible]	[illegible]	Pearson Uk 11% Uns. Ln. 2007	[illegible]	[illegible]
99.778	[illegible]	[illegible]	[illegible]	[illegible]	Sunderland 11¾% Red. 2008	[illegible]	[illegible]
¶100	F.P.	[illegible]	[illegible]	[illegible]	Sutton Dist. Water 7% Pref. 1988	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −
250	F.P.	[illegible]	[illegible]	[illegible]	AGB Research 10p	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1983. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. || Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. || Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. † Effective issue price after scrip. † Formerly dealt in under special rule.

INSURANCE & OVERSEAS MANAGED FUNDS

London A'dam & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

'Asset Builder'	63.7	67.0	.....	—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511.

Money Mngr April 15	57.7	62.4	+1.8	—
MM Flexible April 6	48.8	51.4	.....	—
Fixed Interest April 1	52.6	55.5	.....	—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA. 0272-279179
See Correction Page Mon-Fri and Stock Exchange Page Sat.

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	275.2	—	+0.1	—
Invest. Tst. Fd. Acc.	285.7	—	+0.1	9.6
Property Fund Cap.	117.1	—	+0.1	—
Property Fund Acc.	121.4	—	+0.1	3.5
Flexible Fund Cap.	179.3	—	-0.2	—
Flexible Fund Acc.	185.8	—	-0.1	3.1
Fixed Int. Fd. Cap.	138.6	—	-0.3	—
Fixed Int. Fd. Acc.	143.9	—	-0.3	—
Gtd. Deposit Fd. Cap.	137.6	—	.....	—
Gtd. Deposit Fd. Acc.	141.6	—	.....	—
Equity Fund Cap.	142.4	—	-0.1	—
Equity Fund Acc.	147.3	—	.....	—
International Fd. Cap.	138.8	—	+1.2	—
International Fd. Acc.	143.3	—	+1.2	—
Capital Gwth. Fd.	407.5	—	+1.0	—
Moneymaker Fund	163.6	—	-0.2	—
Exempt Inv Tst Cap	385.6	—	+0.8	—
Exempt Inv Tst Acc	391.4	—	+0.8	—
Exempt Inv Tst NS	390.5	—	+0.8	5.5
Exempt Ppty Cap	182.4	—	+0.3	—
Exempt Ppty Acc	185.0	—	+0.3	—
Exempt Ppty NS	184.6	—	+0.3	2.6
Exempt Flex Cap	241.2	—	-0.2	—
Exempt Flex Acc	244.7	—	-0.2	—
Exempt Flex NS	244.1	—	-0.2	3.0
Exempt Equity Cap	110.8	—	-0.1	—
Exempt Equity Acc	112.3	—	-0.1	—

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund	282.8	.....	—
Property Fund (A)	279.5	.....	—
Agricultural Fund	1056.5	.....	—
Agric. Fund (A)	1030.2	.....	—
Abbey Nat. Fund	224.0	.....	—
Abbey Nat. Fd. (A)	221.2	.....	—
Investment Fund	131.8	.....	—
Investment Fund (A)	130.0	.....	—
Equity Fund	404.2	+2.7	—
Equity Fund (A)	397.4	+2.7	—
Money Fund	208.8	+0.1	—
Money Fund (A)	205.2	+0.1	—
Actuarial Fund	206.4	.....	—
Gilt-edged Fund	186.7	+0.3	—
Gilt-Edged Fd. (A)	186.7	+0.3	—
Retire Annuity	345.0	.....	—
Immed. Ann'ty	194.9	.....	—
International Fd.	238.2	—	.....

Property Gth Pens & Annuities Ltd

All Wther Ac. Uts.	240.9	253.5	.....	—
Inv. Fd. Uts.		266.8	.....	—
Pension Fd. Uts.		240.6	.....	—
Conv. Pens. Fd.		272.3	.....	—
Cnv. Pns. Cap. Ut.		207.6	.....	—
Man. Pens. Fd.		318.6	.....	—
Man. Pens. Cap. Ut.		252.3	.....	—
Prop. Pens. Fd.		270.9	.....	—
Prop. Pens. Cap. Uts.		209.1	.....	—
Bldg. Soc. Pen. Ut.		240.4	.....	—
Bldg. Soc. Cap. Ut.		188.8	.....	—
Gilts Pens. Fd.		164.0	-0.4	—
Gilts Pens. Fd. Cap.		146.1	-0.5	—
Equity Pens. Fd.		246.0	+2.9	—
Equity Pens. Fd. Cap.		219.3	+2.6	—

Providence Capital Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Equity Acc.	101.1	106.7	.....	—
Fixed Interest Acc.	89.4	94.4	.....	—
Intnl. Acc.	76.7	81.0	.....	—
Managed Acc.	88.0	92.8	.....	—
Property Acc.	107.6	113.6	.....	—
Money Acc.	71.9	75.9	.....	—
Special Market Acc.	65.6	69.2	.....	—

OFFSHORE AND OVERSEAS

NOTES

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
99 13/16	98 [illegible]	Treasury 9¼pc '83	99 [illegible]	–1/16	9.27	9.82
102 [illegible]	100 [illegible]	Exch. 13¼pc '83	101 [illegible]xd	+1/16	13.28	10.10
99 [illegible]	98 [illegible]	Exch. 10pc 1983	99 [illegible]	+1/16	10.02	10.02
97 [illegible]	96¼	Funding 5½pc '82-84‡‡	96½	–⅛	5.68	9.89
101¼	99½	Exch. 11¼pc 1984	100⅞	......	11.15	10.98
104 [illegible]	102½	Exchequer 14pc 1984	103 [illegible]xd	+1/16	13.49	10.26
94 [illegible]	92½	Exch. 3pc 1984	94⅝	......	3.17	7.88
102 [illegible]	100⅜	Treasury 12pc 1984	102¼	+⅛	11.74	10.22
107 [illegible]	105⅜	Treasury 15pc 1985	106 [illegible]	+1/16	14.08	10.72
107	101⅞	Exch. 12pc Cnv. '85	104⅛	+⅛	11.52	9.57
90⅞	88⅝	Treasury 3pc 1985	90⅝xd	......	3.31	7.95
102 [illegible]	99⅞	Treasury 11½pc 1985	101 [illegible]	+1/16	11.35	10.81
102	95	Treas 8¾pcCnv '85	97	+⅛	9.02	10.15
103⅜	100 [illegible]	Exch. 12¼pc 1985	102 [illegible]xd	+1/16	11.98	10.93
102⅞	99 [illegible]	Exch. 11¾pc '86	102 [illegible]	+1/16	11.50	10.81
88½	85⅝	Treasury 3pc 1986	86⅝xd	......	3.46	7.98
27 [illegible]	26	Exch. 10½pc Cv '86(£25pd)	26¾	–⅛	10.42	10.30
103 [illegible]	100 [illegible]	Treasury 12pc '86	102⅝	+1/16	11.69	10.98
97½	94⅜	Treasury 8½pc '84-86‡‡	95¾	+⅛	8.92	10.25
112¾	109¼	Treas. 12¼pc '86 Cnv.	111¼	+¼	10.96	8.16
109 [illegible]	105½	Exch. 14pc 1986	108¾xd	+1/16	12.87	10.95
107⅛	103⅝	Exch. 13¼pc 1987	106¾	+1/16	12.41	10.99
84 [illegible]	82⅛	Exchequer 2½pc 1987	82⅞	......	3.04	7.96
100 [illegible]	95 [illegible]	Exch. 10½pc 1987	98⅞	+⅛	10.63	10.84
99	29 [illegible]	Exch. 10½pc 1987A	98⅝	+1/16	10.65	10.92
93 [illegible]	89⅝	Funding 6½pc '85-87‡‡	89⅝xd	+⅛	7.25	9.66
85¼	81⅛	Treasury 3pc 1987	81⅝	......	3.67	8.22
104⅝	97⅞	Treas 12pc 1987	103½xd	+1/16	11.59	11.08

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked & Variable Rate

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS

Public Board and Ind.

LOANS—Continued

Financial

Building Societies

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS, H.P. & LEASING

BANKS—Continued

Hire Purchase, Leasing, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

CHEMICALS, PLASTICS—Cont.

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued

For Wigfall (H.) see Stores

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

[illegible]

INSURANCES

[illegible]

LEISURE

[illegible]

LEISURE—Continued

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS-Cont.

[illegible]

Finance, Land, etc.

[illegible]

OIL AND GAS

[illegible]

OIL AND GAS—Continued

[illegible]

OVERSEAS TRADERS

[illegible]

PLANTATIONS

Rubbers, Palm Oil

[illegible]

Teas

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

MINES—Continued

Central African

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
300	210	Falcon Rh.50c	250	—	Q25c	10.3	6.4
21	16	Wankie Col. Z$1	20	—	Q5c	♦	17.9
28	18	Zam.Cpr.SBD0.24	21	—	—	—	—

Australians

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
28½	13½	♥ACM 20c	20½	+1½	—	—	—
14	6	♥Argosy Gold NL 25c	8	—	—	—	—
25	11	Balmoral Resources	19	—	—	—	—
60	42	♥Black Hill Mins.	50	+1	—	—	—
74	52	♥Bond Corp.	55	—	gQ10c	2.3	11.2
154	116	♥Bougainville 1 Kna	147	—	Q3.42c	1.2	1.4
291	214	♥CRA 50c	283	—	Q3c	—	0.6
145	60	♥Carr Boyd 20c	99	+5	—	—	—
35	18	♥Central Pacific	23	+1	—	—	—
320	210	♥Crusader Oil	275	—	—	—	—
15	8	♥Cultus Pac NL	11	+1	—	—	—
15	7	♥Eagle Corp 10c	15	—	—	—	—
14	8	♥Endeavour 20c	10	—	—	—	—
810	500	♥GM Kalgoorlie 25c	560	−5	hQ10c	♦	1.0
*240	170	Hampton Areas 10p	182	+8	t3.75	2.8	2.9
32	15½	♥Haoma NW	20	—	—	—	—
92	30	♥Hill Minerals N.L.	58	—	—	—	—
21	13	♥Intnl Mining	14	—	—	—	—
42	25	♥Kalbara Min 20c	36½	—	—	—	—
15½	9	♥Keywest Expl.	14	—	—	—	—
130	54	♥Kitchener NL 25c	74	+6	—	—	—

[illegible]

Tins

[illegible]

Miscellaneous

[illegible]

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- ♣ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¶ No par value.

B.Fr. Belgian Francs. Fr. French Francs. §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

				IRISH		
				Exch. 15pc 1983	£100	
Albany Inv. 20p	54	......		Nat. 9¾% 84/89	£88¼	+¼
Bdg'wtr. Est. 50p	520	......		Fin 13% 97/02	£95¼	+¼
Craig & Rose £1	£12	......		Alliance Gas	103	......
Finlay Pkg. 5p	34	......		Arnott	185	......
Graig Ship. £1	£18	......		Carroll (P.J.)	110	+4
Higsons Brew.	103	......		Concrete Prods.	54	......
Holt (Jos) 25p	910	......		Helton (Hldgs.)	12	......
I.O.M. Stm. £1	97	......		Irish Ropes	92	......
Pearce (C. H.)	£13½	......		Jacob	70	......
Peel Hldgs.	190	......		T.M.G.	88	......
				Unidare	51xd	......

OPTIONS

3-month Call Rates

Industrials		House of Fraser	15	Utd. Drapery	7
Allied-Lyons	15	I.C.I.	24	Vickers	12
BOC Grp.	17	"Imps"	10	Woolworth Hld.	15
B.S.R.	12	I.C.L.	8		
Babcock	10	Ladbroke	16	Property	
Barclays Bank	35	Legal & Gen.	28	Brit. Land	7½
Beecham	35	Lex Service	16	Cap. Counties	12
Blue Circle	44	Lloyds Bank	35	Land Sec.	26
Boots	22	"Lots"	4	MEPC	17
Bowaters	19	London Brick	11	Peachey	14
Brit. Aerospace	20	Lucas Inds.	12	Samuel Props.	10
B.A.T.	50	"Mams"	12	Town & City	3
Brown (J.)	4	Mrks. & Spncr	16		
Burton Ord.	24	Midland Bank	30	Oils	
Cadburys	11	N.E.I.	9	Brit. Petroleum	26
Courtaulds	8	Nat. West. Bank	38	Burmah Oil	12
Debenhams	8½	P & O Dfd.	14	Charterhall	5
Distillers	20	Plessey	50	KCA	8
Dunlop	5½	Racal Elect.	45	Premier	4
Eagle Star	30	R.H.M.	6	Shell	35
F.N.F.C.	4	Rank Org. Ord.	15	Tricentrol	22
Gen. Accident	30	Reed Intnl.	26	Ultramar	42
Gen. Electric	24	Sears	9		
Glaxo	45	T.I.	13	Mines	
Grand Met.	25	Tesco	8		
G.U.S. 'A'	50	Thorn EMI	38	Charter Cons.	20
Guardian	35	Trusthouse	13	Cons. Gold	40
G.K.N.	15	Turner & Newall	4	Lonrho	8
Hawker Sidd	30	Unilever	65	Rio T. Zinc	42

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 24

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

FINANCIAL TIMES

Saturday April 16 1983

MAN IN THE NEWS

It began with pigeons

BY ROBERT MAUTHNER

BARON Paul Julius Reuter, the German-born aristocrat who *founded* Reuters, the international news and computerised information agency, with a carrier pigeon service in 1851, would be proud of his latest successor. For Mr Glen Renfrew, *the straight-talking* 53-year-old Australian, who has been managing director of the company since March 1981, has presided over one of the most impressive financial and technological success stories in the field of information gathering and distribution in recent years.

Though the Reuters' barometer was beginning to move to the fine weather mark in the last few years of the last decade, it has only been since 1980 that the company's results have

Mr Glen Renfrew

really taken off in a big way. Group operating profits, which had already risen three-fold to £16.37m in 1981, rose again by 123 per cent to £36.53m in 1982.

Mr Renfrew would be the last to take all the credit for this remarkable achievement.

But it is certainly true that, as manager of Reuters' computer division from 1964 to 1970 and manager for North America for a whole decade, Renfrew has been at the centre of the company's technological revolution for some 20 years.

The importance of technological innovation for Reuters' fortunes hardly needs to be underlined. Nearly 90 per cent of Reuters' revenues last year were accounted for by its financial services, transmitted mainly by the so-called "Monitor" video display units, while only a little more than 10 per cent was provided by traditional media customers such as newspapers, radio and television.

Yet Renfrew considers that recent changes in the company's financial management are just as important in explaining Reuters' meteoric success as the expansion of the Monitor and other related services.

A system of financial targets has been introduced. "We take a figure and we aim for it," he says. At the same time four so-called regional "profit centres" have been created for Europe, North America, Asia and Overseas (Africa and Latin America).

This new financial structure, together with a system of cash bonuses for management staff based on results, has made a big contribution to the company's performance, according to Renfrew.

All this could suggest that the present managing director, like his predecessor, Mr Gerald Long, takes a declining interest in the traditional news reporting services on which, after all, Reuters has built its world-wide *reputation*. That, *however*, would be very far from the truth.

Like a conjurer producing a rabbit out of a hat Renfrew floors one with the statement *that his company, far from* cutting down its traditional reporting services, is actually expanding them while devoting a smaller proportion of revenue to them.

With barely disguised satisfaction, Renfrew proclaims that soaring revenue—up by 30 per cent to nearly £180m in 1982—has enabled Reuters to open 13 new foreign reporting bureaux *since the beginning of last year*.

Renfrew remains lukewarm to suggestions—mainly from Lord Matthews, chairman of Fleet Holdings, which owns the Daily Express among other *newspapers* — *that* Reuters should seek a market quote. There was no pressure on the company to do so, since cash flow was big enough in 1982 to cover both sharply increased *capital spending and loan repayments*.

"There will be no quotation unless something very big comes along." Hard luck for those who, somewhat incredulously, are casting a beady eye on a 1982 dividend of £60 for each £1 of issued stock.

Hawley in dawn raid on Miss World shares

BY DAVID DODWELL

MR ERIC MORLEY'S Miss World Group, launched on Thursday on the unlisted securities market, has attracted one of the fastest suitors in stock market history.

Mr Michael Ashcroft, 46-year-old head of Hawley Group, mounted a dawn raid on the market debutante as trading in the stock began gathering the maximum *14.99* per cent permissible stake within hours.

It is understood the security £350,000 for the 292,400 Miss World shares — an average of 120p per share. The shares were placed at 60p, and rose rapidly to around 130p, where they have *since remained*.

A takeover of Miss World seems improbable in the near future, since almost 52 per cent of the shares are owned by founder Mr Morley and his wife, *Julia*.

The raid surprised city analysts, since Mr Ashcroft already holds strategic stakes in a number of other companies, and has stretched his resources by making some major recent purchases in rapid succession.

These include Electro-Protective, Keen and Scott (which has just bid for Alpine Holdings), Coleman Milne, Dufay Bitumastic, Black and Edgington, Camrex, Nuswift, and Carraun.

A Hawley spokesman said he could not comment on whether Mr Ashcroft planned further purchases without meeting with Mr Morley. He said there could be "interesting promotional work" in a link with Miss World.

Mr Morley said: "Mr Ashcroft is a man not unlike myself who sees a good opportunity for publicity. He has been successful in his businesses. I know him personally, and if there is anything he can bring to our company, then I am very happy to sit down and talk about it."

Commission veto threat to Timex and Hyster aid

BY JOHN WYLES IN BRUSSELS

THE European Commission yesterday challenged Britain and France to justify the special assistance they are offering to two U.S. companies, or face a *block on their plans*.

The assistance is for two investments:

● A £10m British training grant for Hyster, the fork lift truck manufacturer, to help it concentrate production at Irvine in Scotland.

● A FFr 34.5m (£3m) grant by France to Timex, the watch manufacturer, which is boosting production of quartz watches in Besancon at the expense of its Scottish plant in Dundee.

Both governments have been given four weeks to convince the Commission they are not improperly using state aids at the expense of EEC neighbours. If they fail, the incentives would be vetoed and the two governments would have to go to the European Court to *try to overturn the Commission's judgment*.

The British Government has a direct interest in both cases. The training grant to Hyster, together with £9.5m investment aid which is not under EEC challenge, helped clinch the decision by the Oregon-based group to concentrate production at Irvine.

This strategy involved cutting production in the Netherlands and selling a components factory in Belgium. Jobs will be lost in both places.

Commission officials suggest that Hyster shopped around the Community before opting for the British package. Although its final decision in favour of Irvine was not settled until the workforce accepted a 9.8 per cent cut in basic pay rates, the Commission suspects the training grant may also have been influential.

The Commission has no quarrel with the investment aid because it amounts to about 30 per cent of the company's outlay and is benefiting a special development area.

France can make no similar claim over the aid for the Timex plant at Besancon, which is not located in an area qualifying for special regional grants. The total amount to be provided by the French government is about £1.2m more than would be allowed by EEC rules.

The Commission's scrutiny of the Timex case was partially triggered by a complaint from the British Government, which claimed the aid was instrumental in the company deciding to boost production of quartz watches at Besancon rather than launch production at Dundee.

This might have helped save some of the 1,900 jobs lost by the closure of mechanical watch manufacturing at Dundee. The plant is currently occupied by some of the workers.

Mark Meredith, Scottish Correspondent writes: The British Government feels it has kept within the European regulations in offering to assist Hyster's plans, which could create over 1,000 jobs in the next five years.

The aid is geared to be released as employment is created at the plant.

In a recent statement to shareholders the company said it had a "fiduciary" responsibility to shareholders to pursue the financial assistance programmes various governments offered.

Marx quoted to support elections

By Leslie Colitt in Berlin

DELEGATES at an East Berlin conference on Karl Marx were stunned this week when a Swedish Social Democrat, quoting the founder of the Communist movement himself, unexpectedly urged free elections and an end to press censorship.

Newsstands selling the East German communist party newspaper Neues Deutschland — *which had pledged to* publish all the speeches — were beleaguered yesterday by East Germans eager to learn what was said.

Mr Sven Ove Hansson, the sole Swedish Social Democrat at the conference, told representatives of 132 communist parties, liberation movements and a few Social Democrats that Marx never *meant the* "dictatorship of the proletariat" to be a monopoly of power by one group. The communist countries today quote Marx to justify one-party rule.

Mr Hansson's speech on Karl Marx and human rights was an eye opener for delegates, who had sat through *three days filled with speeches* on the relevance of Karl Marx for world peace. A West German Social Democrat spoke of the need for a "security partnership" between East and West Germany, and did not even mention Karl Marx.

The Swede's speech was laced with quotes from Karl Marx's writings. He said Marx's first political article, written when he was 23, was an attack on Prussian censorship: "You mistrust your state organism so much that you fear the isolated opinions of a private man."

Quoting Marx, Mr Hansson said censorship was a declaration on the "permanent political immaturity of the human race."

He noted that Marx never used the term "dictatorship of the proletariat," to mean a group exercising power which *had not been* "*entrusted to* have power by real, pluralistic elections."

Thatcher keeps all options open as election speculation mounts

BY JOHN HUNT

INTENSE speculation about the timing of the next General Election continued to build up at Westminster yesterday, despite an assurance from the Prime Minister that she had not yet made up her mind on a *date*.

In a rallying cry last night to a conference of about 150 Conservative parliamentary candidates at South Mimms, Herts, Mrs Thatcher said there were four possible election dates — June or October this year, or March or May next year.

She surprised candidates by saying that she wanted three consecutive Parliaments rather than two to carry out her programmes.

Mrs Thatcher made it clear that she was not only looking forward to winning the next election, but also the one after that.

In an "inspirational" speech, she spelled out the programme on which she wanted candidates to fight the election.

Earlier, the Prime Minister *made a "keeping-in-touch"* tour of South London, visiting small firms and a community centre. Later, she spoke to Conservative Party workers in the Conservative seat of Richmond, Surrey, before moving on to her own constituency of Finchley in North London.

Some Tories saw all this activity as a sign of a summer election, but sources close to the Prime Minister warned against "election fever." While some ministers believe the best date will be June, when inflation figures will be at their lowest, others maintain that it would be better to wait at least until October in the hope of a further pick-up in the economy.

There was more than a whiff of the hustings yesterday as a succession of ministers made speeches emphasising the good *economic prospects. In addition*, Lord Hailsham, the Tories' elder statesman, made a long speech urging the party to do well in the local elections on May 5 and influence the outcome of the General Election.

In an interview on Independent Radio News, Mrs Thatcher said that she had most certainly not made up her mind about the date. She would not address her mind to it until after her Government had been in power for four years. This point will arrive on May 3, the fourth anniversary of her victory in 1979.

Inland Revenue halts pension scheme for the self-employed

BY ERIC SHORT

CITY of Westminster Assurance has been stopped from marketing its latest self-employed pension plan by the Superannuation Funds Office of the Inland Revenue.

The office is refusing to allow the premiums paid to be eligible for the normal tax relief to the individual, even though it had approved the original annuity policy.

Westminster Assurance launched its Guaranteed Pension Bond in February. The self-employed paid a premium to the life company under the scheme, on which full tax relief was received. They immediately took an interest-free loan which returned the net amount invested for a basic rate taxpayer.

Basic rate taxpayers could thus receive some pension at retirement at no cost. Higher rate taxpayers could actually boost their net income while still receiving a pension, even though the amount was trivial compared with that provided on a normal pension plan. The attractions of the scheme were the tax avoidance aspects.

The plan was successful, with the company receiving £7m premium in just under two months. However, City of Westminster failed to submit full details of the scheme to the SFO. It had submitted only the basic contract, which was approved under section 226 of the 1970 Income and Corporation Taxes Act. The company claims it was not legally obliged to submit details of the scheme.

The SFO, however, took a *different view after* a fortnight of discussions with City of Westminster Assurance.

The company has complained bitterly. It says the plan was specifically designed to give the self-employed an opportunity they would not otherwise be able to afford to mop up their tax relief entitlement.

City of Westminster claims the SFO's attitude is that the scheme as a whole does not have the provision of a pension as its main objective.

However, the City of Westminster is returning to policy-holders the premiums paid, together with interest at the rate of 20 per cent per annum—at an extra cost of around £70,000. More important, policy-holders have not forfeited their pension tax exemptions by paying over the money.

City of Westminster claims the decision could be a significant step in reinterpreting existing tax laws and could have serious consequences for other loanback arrangements. But the traditional life companies do not recognise such a threat. They have always felt that the whole scheme was the contract and that full details should be submitted when applying for qualification.

Editorial Comment, Page 16

Continued from Page 1

U.S. output

gross national product in 1983 compared to 1982.

The great uncertainty which remains—as Mr Paul Volcker, chairman of the Federal Reserve Board, pointed out on Tuesday—is over the balance of the recovery—whether a decline in interest rates will allow a sustainable economic improvement to spread through all sectors and produce a rise in investment and exports, or whether high interest rates will continue, *leading* to an unbalanced consumer-led recovery that would eventually be dissipated through renewed inflationary pressures.

Continued from Page 1

UDS board

day and a UDS board meeting yesterday. Mr Victor Blank, best known perhaps for putting together the Paternoster consortium to bid for F. W. Woolworth, will head the defence.

Mr Blank's first action has been to write to Hanson asking for "firm and specific assurances about the future of the principal businesses of the UDS group and the employment prospects for its workforce." He felt it was a "perfectly ligitimate judgment" for the UDS board to favour the offer "providing the better prospects and security."

UDS shareholders, many of whom are already reported to be accepting Hanson's offer before its first closing date next Friday, will be encouraged early next week to accept Bassishaw's or to "vote with their feet" by selling in the market.

Weather

UK TODAY

RAIN spreading from Scotland. *Dry in the south east.*

London, E, Central S and SE England
Dry at first, cloudy with rain later. Max 16C (61F).

Argyll, NW Scotland, N Ireland
Rain, clearing, sunny intervals. Max 11C (52F).

Rest of Scotland, SW and N England, W Midlands, Lake District, Borders, Channel Isles, Wales, Isle of Man
Cloudy, rain. Max 13C (55F).

Outlook: Unsettled.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	15	59	Luxmbg.	F	11	52
Algiers	S	17	63	Luxor	S	35	95
Amsdm.	S	12	54	Madeira	S	20	68
Athens	C	18	64	Madrid	S	19	66
Bahrain	S	26	79	Majorca	S	18	64
Barcina.	S	16	61	Malaga	C	17	63
Beirut	S	21	70	Malta	S	17	63
Belfast	C	10	50	M'chstr.	C	11	52
Belgrd.	C	10	50	Melbne.	F	13	55
Berlin	R	7	45	Mx. C.†		—	—
Biarritz	S	18	64	Miami†	R	22	72
Bmghm.	S	14	57	Milan	S	17	63
Blackpl.	C	8	46	Montrl.†	R	5	41
Bordx.	C	8	46	Moscow	C	4	39
Boulgn.	S	9	48	Munich	R	4	39
Bristol	S	12	54	Nairobi	F	30	86
Brussels	S	13	55	Naples	S	14	57
Budpst.	F	10	50	Nassau		—	—
Cairo	S	30	86	Nwcstl.	F	11	52
Cardiff	S	14	57	N. York†	C	12	54
Cas'b'ca		—	—	Nice	S	16	61
Cape T.	F	21	70	Nicosia	S	20	68
Chicg.†	F	−2	28	Oporto	S	24	75
Cologne	C	12	54	Oslo	F	8	46
Cpnhgn.	C	9	48	Paris	S	14	57
Corfu	S	16	61	Perth	S	27	81
Denver†	S	−5	23	Prague	R	6	43
Dublin	F	11	52	Reykjvk.	C	1	34
Dbrvnk.	S	13	55	Rhodes	F	18	64
Ednbgh.	C	9	48	Rio J'o		—	—
Faro	C	19	66	Rome	S	16	61
Florence	S	16	61	Salzbrg.	R	4	39
Frankft.	C	9	48	S. F'cisc†	F	7	45
Geneva	S	11	52	S. Moritz		—	—
Gibraltar	C	17	63	Singapr.	S	34	93
Glasgow	C	9	48	S'tiago		—	—
G'msey	F	9	48	Stckhm.	S	8	46
Helsinki	S	5	41	Strasbg.		—	—
H. Kong	C	26	79	Sydney	C	16	61
Innsbrk.	R	3	37	Tangier		—	—
Invrnss.	F	11	52	Tel Aviv		—	—
I.o.Man	C	8	46	Tenerife	F	23	73
Istanbul	C	9	48	Tokyo	R	17	63
Jersey	S	10	50	T'ronto†	C	6	43
Jo'burg	F	25	77	Tunis	F	17	63
L. Pims.	F	22	72	Valencia	S	20	68
Lisbon	F	19	66	Venice	F	14	57
Locarno	C	17	63	Vienna	R	7	45
London	S	16	61	Warsaw		—	—
L. Ang.†	C	12	54	Zurich	R	6	43

C—Cloudy. F—Fair. R—Rain. S—Sunny.
† Noon GMT temperatures.

THE LEX COLUMN

Thin linings on AP's brakes

Index rose 6.6 to 695.5

Automotive Products has been slow to respond to the severity of the recession and has paid dearly for it in the second half of 1982. After a modest pre-tax loss of £0.3m at the interim stage, the full year outcome emerges no less than £14.1m in the red. The company has hauled on new management, which has started to restructure the group in earnest, shedding 1,500 employees over the last eight months. Turning a blind eye to the heavy family holdings, the new Board has bitten the bullet and passed the final dividend. Net debt has moved up from 46 per cent to 62 per cent of net assets and has been held at this level only with the help of a judiciously timed property *revaluation. It is clear that AP* is in no position to absorb any piece of bad luck.

AP was knocked sideways in 1982 by a renewed bout of destocking of replacement parts, *while £4.9m* was taken in restructuring and redundancy costs. With severance pay running at an average of £3,500 an employee, the payback over a year is substantial. Meanwhile sales to manufacturers of original equipment is healthy, the repalcement market has picked up again, and the fall in sterling has boosted both export volumes and margins. So the company is back in profit in the first quarter. Borrowings *should* be reduced this year through an attack on the high level of stocks, now standing at *£70m. With the behaviour* of the replacement market apparently beyond analysis, the Board is justifiably coy about the current ypear's prospects. The shares shed 2p yesterday to 29p, which compares with the 1979 peak of 110½p.

TV contractors

TV contractors have been among the dullest of stock market sectors of late and LWT did nothing to liven things up a couple of weeks ago with warning noises about the final *dividend. The results from* Scottish Television yesterday provide a useful corrective. Pretax profits have been squeezed—as in the case of LWT—from £2.3m to £1.9m for the year. Again the Channel 4 subscription is singled out as the culprit but Scottish, which has raised its total dividend by 5 per cent, is clearly sending out a very different message to LWT.

The Equity dispute drags on, leaving empty and embarrassing holes in Channel 4 advertising slots in spite of discounts of up to 70 per cent. The financial impact of the dispute on the contractors is probably limited. The main effect has been to keep the large advertisers—who are blacking Channel 4 advertisements—on the main ITV channel. If and when the dispute ends, the main effect will be to allow big advertisers to switch to Channel 4. The net new advertising for both channels together is likely to be limited.

The sudden increase in advertising time was always bound to produce a period of shortfall between total revenues and costs. The good news is the very sharp increase in TV revenues now evident, albeit currently channelled to ITV 1. In the first quarter revenues may have risen by about 15 per cent and Scottish has been gaining market share with a 17½ per cent rise. The £120m-odd annual budget for Channel 4 represents a 16 per cent increase in operating costs. If revenue growth is maintained at the current rate increased real revenues should catch up with costs within a couple of years.

The sector's underperformance has produced yields stretching from 6 per cent to above 11 per cent. Profits are clearly going nowhere for at least a year, but the concession in the Budget maintaining full tax relief against programme expenditure probably removes any threat to dividend cover. At some stage the market horizon will move beyond the two-year adjustment period—possibly at the halfway stage this winter. However, worries about the implications of cable, satellite *broadcasting and video may* put a ceiling on any re-rating.

Kwik Save

Yesterday's surprise announcement of the resignation of Mr Michael Weeks, the highly respected joint managing director of Kwik Save, was a litmus test of the City's confidence in the company. Ten years ago, after all, the resignation of Kwik Save's founder sent the share price tumbling.

Yesterday, however, the news was brushed aside and, on the back of another remarkable increase in profits, the shares rose 7p to 292p. Kwik Save may have consolidated its reputation but is still a long way short of maturity as a retailing chain. *The store expansion programme* is still accelerating, with 39 new outlets planned for the current financial year.

The 15.4 per cent increase in pre-tax profits—to £12.3m—during the six months to February suggests that the formula is still working. Increasingly, however, Kwik Save is having to rely on cost control in order to keep earnings moving. Sales per square foot were down in real terms during the latest period and, with wage increases running at almost double the level of Kwik Save's 4 per cent internal price inflation, staffing levels have had had to be reduced. The company has benefited from down-trading during the recession and may now need to show that it can take advantage of upturns as well. The shares, meanwhile, trade on a prospective p/e of 17—applying a full tax charge to pre-tax profits of £26.5m.